

McGladrey & Pullen

Certified Public Accountants

TOWN OF TRUMBULL, CONNECTICUT

FINANCIAL REPORT

For the Year Ended June 30, 2008

TOWN OF TRUMBULL, CONNECTICUT

BASIC FINANCIAL STATEMENTS

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TOWN OF TRUMBULL, CONNECTICUT

BASIC FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

To the First Selectman and the
Members of the Finance Committee
Town of Trumbull, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Trumbull, Connecticut (the "Town") as of and for the year ended June 30, 2008, which collectively comprise the Town's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards" issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Trumbull, Connecticut as of June 30, 2008, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary information for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with "Government Auditing Standards," we have also issued our report dated December 29, 2008 on our consideration of the Town of Trumbull, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" and should be considered in assessing the results of our audit.

The management discussion and analysis on pages 3 through 10 is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The budgetary detail and combining and individual nonmajor fund statements and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary detail, combining and individual nonmajor fund statements and other schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McGladrey & Pullen, LLP

New Haven, Connecticut
December 29, 2008

TOWN OF TRUMBULL, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

The Town of Trumbull's (the "Town") Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Town's financial activity, (c) identify changes in the Town's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns. The Management's Discussion and Analysis (MD &A) is designed to focus on the current year's activities, resulting changes and currently known facts and the Town's financial statements (beginning on page 11).

Financial Highlights – Primary Government

- ♦ On a government-wide basis, the assets of the Town of Trumbull exceeded its liabilities resulting in total net assets at the close of the fiscal year of \$102.5 million. Total net assets for Governmental Activities at fiscal year-end were \$55.1 million and total net assets for Business-Type Activities were \$47.4 million.
- ♦ On a government-wide basis, during the year, the Town's net assets increased by \$15.1 million. Net assets increased by \$9.2 million for Governmental Activities and increased by \$5.9 million for Business-Type Activities.
- ♦ At the close of the year, the Town of Trumbull's governmental funds reported, on a current financial resources basis, combined ending fund balance of \$14.7 million, which is an increase of \$.1 million from the prior fiscal year.
- ♦ At the end of the current fiscal year, the total fund balance for the general fund alone was \$15.7 million, and a decrease of \$.6 million from the prior fiscal year. Of the total general fund balance as of June 30, 2008, \$13.8 million represents unreserved general fund balance and is available for spending at the government's discretion. Unreserved general fund balance at year-end represents 10.5% of total general fund expenditures of \$131.8 million.
- ♦ The Town of Trumbull's total debt increased by \$9.5 million or a 8.2% increase during the current fiscal year. The key factors in the increase were the issuance of \$15.0 million of General Obligation Bonds to fund the continuing development of sewer improvements of which is funded by the enterprise fund.

Overview of the Financial Statements

This discussion and analyses are intended to serve as an introduction to the Town of Trumbull's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Over time increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the Town include general government, public safety, highways and streets, solid waste disposal, human services and culture and recreation activities

The Business-type activities of the Town include the Water Pollution Control Authority and the Tashua Knolls Golf Course. They are reported here as the Town charges a fee to customers to help cover all or most of the cost of operations.

The government-wide financial statements (statement of net assets and statement of activities) can be found on pages 11 and 12 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. The Town of Trumbull, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town of Trumbull has three kinds of funds:

Governmental funds. Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures, and change in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's total assets and total liabilities is labeled as the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the year.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements; however, because different accounting bases are used to prepare fund financial statements and government-wide financial statements, there are often significant differences between the totals presented in these financial statements. For this reason, there is an analysis at the bottom of the balance sheet that reconciles the total fund balance to the amount of net assets presented in the governmental activities column on the statement of net assets. Also, there is an analysis at the bottom of the statement of revenues, expenditure, and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net assets as reported in the governmental activities column in the statement of activities.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance) can be found on pages 13-14 of this report.

Proprietary funds. Proprietary fund financial statements consist of a statement of net assets, statement of revenues, expenses, and changes in fund net assets and statement of cash flows, and are prepared on an accounting basis that is similar to the basis used to prepare the governmental-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service Funds.

The Town of Trumbull maintains two different types of enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statement. The Town of Trumbull uses Enterprise funds to account for its Water Pollution Control Authority, and the Tashua Knolls Golf Course. Internal service funds are an accounting device used to accumulate and allocate certain costs internally among the Town's various functions. The Town uses an internal service fund to account for the acquisition and use of certain vehicles of departments of the Town, and the medical and workers' compensation reserves.

Because the internal service fund predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The propriety fund financial statements can be found on pages 17-20 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to provide services to the Town's constituency. The Town has two pension trust funds. The basic fiduciary fund financial statements can be found on pages 21 and 22 of this report.

Notes to the financial statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23 through 59 of this report.

Government-Wide Financial Analysis

The Town's overall financial position and operations for the past year are summarized as follows based on the information included in the government-wide financial statements (see pages 11 and 12).

	June 30, 2008			June 30, 2007		
	Primary Government			Primary Government		
	Governmental	Business-		Governmental	Business-	
	Activities	Type	Total	Activities	Type	Total
	Activities	Activities	Total	Activities	Activities	Total
Current and Other Assets	\$ 30,975	\$ 28,490	\$ 59,465	\$ 29,174	\$ 22,328	\$ 51,502
Capital Assets, net of depreciation	167,238	70,259	237,497	163,506	56,704	220,210
Total Assets	198,213	98,749	296,962	192,680	79,032	271,712
Current Liabilities	10,015	3,414	13,429	8,626	2,383	11,009
Noncurrent Liabilities Outstanding	133,119	47,896	181,015	138,214	35,080	173,294
Total Liabilities	143,134	51,310	194,444	146,840	37,463	184,303
Net Assets:						
Inv. in cap assets, net of related debt	89,418	19,242	108,660	82,710	21,624	104,334
Unrestricted (deficit)	(34,338)	28,198	(6,140)	(36,870)	19,945	(16,925)
Total Net Assets	\$ 55,080	\$ 47,440	\$ 102,520	\$ 45,840	\$ 41,569	\$ 87,409

By far the largest portion of the Town of Trumbull's net assets reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Trumbull's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In the current year, the noncurrent liability increased due to an issuance of \$15.0 million in debt.

	June 30, 2008			June 30, 2007		
	Primary Government			Primary Government		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program Revenues:						
Charge for Services	\$ 6,361	\$ 12,498	\$ 18,859	\$ 9,564	\$ 6,422	\$ 15,986
Operating Grants and Contributions	16,000	-	16,000	6,810	-	6,810
Capital Grants and Contributions	3,999	-	3,999	2,974	7,522	10,496
General Revenues:						
Property Taxes	112,290	-	112,290	108,814	-	108,814
Grants Not Restricted to Specific Programs	855	-	855	678	-	678
Investment earnings and other	2,339	-	2,339	3,056	(1,234)	1,822
Total revenues	141,844	12,498	154,342	131,896	12,710	144,606
Expenses:						
General government, libraries and parks	9,582	-	9,582	11,444	-	11,444
Public Safety	11,568	-	11,568	10,268	-	10,268
Health and Welfare	994	-	994	1,024	-	1,024
Public Works	9,264	-	9,264	8,375	-	8,375
Education	97,264	-	97,264	90,909	-	90,909
Debt Service	3,932	-	3,932	3,933	-	3,933
Other	-	6,627	6,627	-	8,864	8,864
Total expenses	132,604	6,627	139,231	125,953	8,864	134,817
Extraordinary Item:						
State teachers' on-behalf payments (Note 13)	(24,241)	-	(24,241)	-	-	-
State teachers' on-behalf revenue (Note 13)	24,241	-	24,241	-	-	-
Total extraordinary item	-	-	-	-	-	-
Change in net assets	9,240	5,871	15,111	5,943	3,846	9,789
Net Assets, beginning	45,840	41,569	87,409	39,897	37,723	77,620
Net Assets, ending	\$ 55,080	\$ 47,440	\$ 102,520	\$ 45,840	\$ 41,569	\$ 87,409

Trumbull's net assets increased by \$15.1 million during the fiscal year, with net assets of Governmental Activities increasing by \$9.2 million and net assets of Business-Type Activities increasing by \$5.9 million.

Key elements of this increase are as follows:

- ♦ The Town enjoyed overall positive results due to favorable grants reimbursements from the State of \$1 million, \$60,000 due to increase in B.O.E. tuition and rentals and fees of BOE building department revenues due to more permits
- ♦ Investment income increased during 2008 by \$211,000, due to higher interest rates.
- ♦ These factors more than offset the dramatic increases in education cost, debt service and workers compensation. Education costs increased due to an overall increase in the current year operating budget and due to higher on-behalf payments made by the State of Connecticut. Debt service costs increased due to new debt issued in Fiscal 2007. Workers' compensation increased due to ongoing open cases since 2005 and final settlements.

- ♦ In addition, the Town's tax revenue increased \$3.4 during the current year as a result of an increase in the mill rate.
- ♦ The increase in business-type activities was attributable to an increase in fees charged by both the WPCA and the Tashua Knolls Golf Course and an increase in Special Assessment billing in the WPCA.

Financial Analysis of the Government's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$14.7 million. Of this amount the Town has an undesignated unreserved fund balance of \$12.3 million. The remainder of fund balance of \$2.4 million is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior period.

General fund. At the end of the current fiscal year, unreserved fund balance of the general fund was \$13.8 million, while total fund balance reached \$15.7 million. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 10.5% of total general fund expenditures, while total fund balance represents 11.8% of that same amount.

Water Pollution Control Authority. The Water Pollution Control Authority (WPCA) had an unrestricted net assets balance at June 30, 2008 of \$24.8 million and net assets invested in capital assets, net of related debt of \$20.2 million. The increase in net assets for the current year relates to new sewer assessment project completed and billed.

Golf Course. The Tashua Knolls Golf Course had an unrestricted net assets balance at June 30, 2008 of \$.3 million and net assets invested in capital assets, net of related debt of \$2.1 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budget for expenditures was \$.5 and the major contributing factors can be summarized as follows:

- ♦ There was a supplemental appropriation for \$50,000 to cover a purchase of land.
- ♦ There were several supplemental appropriation totaling \$394,000 of which \$27,000 was for Elections capital outlay, \$50,000 was for Emergency Medical Services salaries, \$190,000 for the security system at all the schools, \$27,000 for Trumbull Day, \$72,000 for vehicle gas and oil and \$30,000 for vehicle repairs.

However, the original budget to actual expenditure variance was an increase of \$2.3 million. The major reasons for the net variance are as follows:

- ♦ There was a surplus in the medical insurance of \$138,000 due to the fact that we are fully insured and premiums were lower than anticipated.

- ♦ There were surpluses of \$430,000 Purchasing \$40,000, Police \$47,000, Technology \$64,000, Finance \$30,000, Emergency Medical Services \$17,000, Public Works \$182,000, Snow removal \$50,000 due to various vacancies.
- ♦ There were surpluses of \$184,600 in various professional accounts Town Council \$32,600, Tax Assessor \$20,000, Town Attorneys \$20,500, Emergency Medical Services \$16,700, employee benefits \$16,000 Disposal area had a surplus of \$57,000.
- ♦ Board of Education has a surplus of \$1.0 million due to medical insurance reimbursements from retirees.
- ♦ Contingency had a surplus of \$50,000 due to the fact that only amounts needed to make the department whole were transferred for labor contracts settled because certain departments had vacancies that were not filled during the year.
- ♦ Sewer fees had a surplus of \$23,000, fire hydrants \$48,000 and street lights \$60,000.

The difference between the original revenue budget and actual revenues resulted in a net surplus of \$.700 million. This excludes the use of fund balance, which is the offset to supplemental appropriations requested for the fiscal year. The major reasons for the favorable variance are as follows:

- ♦ Grant reimbursements from the State of Connecticut had a favorable variance of \$1.2 million. These were attributed to an increase of \$738,000 in the Special Education Excess Cost Sharing Grant, \$234,000 in VOAG School Grant and \$166,000 in Tax Relief for Manufacturing.
- ♦ Interest Income recorded a surplus of \$211,000 due to more aggressive investing and better interest rates overall.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year-end, the Town had \$234.9 million (net of accumulated depreciation) invested in a variety of capital assets, as reflected in the following schedule:

	June 30, 2008			June 30, 2007		
	Primary Government			Primary Government		
	Governmental Activities	Proprietary Activities	Total	Governmental Activities	Proprietary Activities	Total
Land	\$ 38,298	\$ 1,939	\$ 40,237	\$ 36,412	\$ 1,939	\$ 38,351
Land Improvements	2,691	3,060	5,751	2,818	3,142	5,960
Buildings and Improvements	95,255	1,472	96,727	88,153	1,523	89,676
Infrastructure	20,762	48,672	69,434	20,542	44,886	65,428
Machinery and Equipment	3,182	373	3,555	3,081	314	3,395
Vehicles	423	24	447	470	48	518
Construction in Progress	4,101	14,719	18,820	9,621	4,852	14,473
Total	\$ 164,712	\$ 70,259	\$ 234,971	\$ 161,097	\$ 56,704	\$ 217,801

Additional information on the Town's capital assets can be found on page 38 through 40 of this report.

Long-term Debt. At the end of the current fiscal year, the Town of Trumbull had total bonded debt outstanding of \$125 million. One hundred percent (100%) of this debt is backed by the full faith and credit of the Town government.

	June 30, 2008			June 30, 2007		
	Primary Government			Primary Government		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
General Obligation Bonds	\$ 77,486	\$ 32,896	\$ 110,382	\$ 71,436	\$ 32,191	\$ 103,627
Notes Payable	-	15,000	15,000	9,360	2,890	12,250
Total	\$ 77,486	\$ 47,896	\$ 125,382	\$ 80,796	\$ 35,081	\$ 115,877

The Town of Trumbull's total debt increased by \$9.5 million or 8.2% during the 2007-08 fiscal year. The Town issued \$12 million in new bonds.

The Town of Trumbull maintains an Aa3 rating from Moody's Investors Service, AA by Standard and Poor's and Fitch Rating.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times its annual tax collections. The current debt limitation for the Town is \$801,908,415 which is significantly in excess of the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found on pages 43 through 49 of this report.

Relevant Current Economic Factors, Decisions, and Conditions

- The unemployment rate for the Town is currently 4.7 percent, which compares favorably to the State's average unemployment rate of 5.7 percent and the Bridgeport Labor Market of 5.3 percent.
- The Grand List growth has been less than 1% for each of the last three years.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the Town of Trumbull's annual budget.

Request for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Lynn Heim, Director of Finance, 5866 Main Street, Trumbull, CT 06611.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF NET ASSETS

June 30, 2008

	Primary Government		
	Governmental Activities	Business-Type Activities	Total *
Assets			
Cash and cash equivalents	\$ 21,876,991	\$ 281	\$ 21,877,272
Investments	4,178,908	-	4,178,908
Receivables:			
Property taxes, net of allowance for collection losses	3,257,533	-	3,257,533
Accounts receivable	476,329	-	476,329
Federal and state governments	6,502,567	-	6,502,567
User charges	-	426,715	426,715
Inventories	37,734	-	37,734
Internal balances	(6,182,722)	6,182,722	-
Deferred charges	451,383	89,166	540,549
Prepaid expenses	376,445	-	376,445
Noncurrent assets:			
Special assessment receivables	-	21,791,535	21,791,535
Capital assets, not being depreciated	42,399,608	16,658,359	59,057,967
Capital assets, net of accumulated depreciation	124,838,590	53,600,689	178,439,279
Total assets	198,213,366	98,749,467	296,962,833
Liabilities			
Accounts payable and accrued expenses	7,780,548	3,413,742	11,194,290
Unearned revenues	234,420	-	234,420
BANS Payable	2,000,000	-	2,000,000
Noncurrent liabilities:			
Due within one year	8,078,532	2,136,746	10,215,278
Due in more than one year	125,040,352	45,759,316	170,799,668
Total liabilities	143,133,852	51,309,804	194,443,656
Net Assets			
Investment in capital assets, net of related debt	89,417,684	19,241,779	108,659,463
Unrestricted (deficit)	(34,338,170)	28,197,884	(6,140,286)
Total net assets	\$ 55,079,514	\$ 47,439,663	\$ 102,519,177

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ (5,313,510)	\$ 1,699,098	\$ 655,221	\$ 20,000	\$ (2,939,191)	\$ -	\$ (2,939,191)
Public safety	(11,567,714)	1,397,019	865	-	(10,169,830)	-	(10,169,830)
Public health	(315,722)	7,024	192,302	-	(116,396)	-	(116,396)
Libraries	(1,877,436)	-	-	-	(1,877,436)	-	(1,877,436)
Recreation and Parks	(2,392,160)	-	-	-	(2,392,160)	-	(2,392,160)
Education	(97,264,249)	2,926,960	14,837,518	3,771,117	(75,728,654)	-	(75,728,654)
Public works	(9,264,408)	318,015	-	207,820	(8,738,573)	-	(8,738,573)
Interest on long-term debt	(3,931,865)	-	-	-	(3,931,865)	-	(3,931,865)
Social Services	(677,629)	12,878	314,480	-	(350,271)	-	(350,271)
Total governmental activities	(132,604,693)	6,360,994	16,000,386	3,998,937	(106,244,376)	-	(106,244,376)
Business-type activities:							
Sewer Commission (WPCA)	(4,448,339)	10,615,951	-	-	-	6,167,612	6,167,612
Golf course	(1,435,858)	1,882,132	-	-	-	446,274	446,274
Total business-type activities	(5,884,197)	12,498,083	-	-	-	6,613,886	6,613,886
Total primary government	\$ (138,488,890)	\$ 18,859,077	\$ 16,000,386	\$ 3,998,937	(106,244,376)	6,613,886	(99,630,490)
General revenues and transfers:							
Property taxes					112,290,198	-	112,290,198
Grants and contributions not restricted to specific programs					855,173	-	855,173
Investment earnings					1,812,356	(216,479)	1,595,877
Transfer in (out)					526,493	(526,493)	-
Total general revenues and transfers					115,484,220	(742,972)	114,741,248
Extraordinary item							
State teachers on-behalf payments (Note 13)					(24,241,000)	-	(24,241,000)
State teachers on-behalf revenue (Note 13)					24,241,000	-	24,241,000
					-	-	-
Change in net assets					9,239,844	5,870,914	15,110,758
Net assets - beginning					45,839,670	41,568,749	87,408,419
Net assets - ending					\$ 55,079,514	\$ 47,439,663	\$ 102,519,177

The notes to the financial statements are an integral part of this statement

TOWN OF TRUMBULL, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2008

	General	Other Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 20,554,986	\$ 1,322,005	\$ 21,876,991
Investments	4,178,908	-	4,178,908
Receivables (net of allowances for collection losses):			
Property taxes	3,257,533	-	3,257,533
Accounts receivable	476,329	-	476,329
Intergovernmental	5,193,490	1,309,077	6,502,567
Inventories	-	37,734	37,734
Prepaid items	376,445	-	376,445
Due from other funds	-	4,492,362	4,492,362
Advances to other funds	375,322	-	375,322
Total assets	\$ 34,413,013	\$ 7,161,178	\$ 41,574,191
Liabilities			
Accounts payable and accrued liabilities	\$ 2,992,502	\$ 446,368	\$ 3,438,870
Due to other funds	7,646,014	5,193,258	12,839,272
Advances from other funds	-	375,322	375,322
BANS payable	-	2,000,000	2,000,000
Unearned revenues	51,172	183,248	234,420
Deferred revenue	7,990,379	-	7,990,379
Total liabilities	18,680,067	8,198,196	26,878,263
Fund balances			
Reserved for:			
Encumbrances	513,384	-	513,384
Long-term advances	661,006	-	661,006
Advances to other funds	375,322	-	375,322
Prepaid items	376,445	-	376,445
Debt service	-	491,651	491,651
Unreserved, reported in:			
General Fund	13,806,789	-	13,806,789
Special revenue funds	-	1,382,180	1,382,180
Capital projects funds	-	(3,087,582)	(3,087,582)
Permanent fund	-	176,733	176,733
Total fund balances (deficits)	15,732,946	(1,037,018)	14,695,928
Total liabilities and fund balances (deficits)	\$ 34,413,013	\$ 7,161,178	

Amounts reported for governmental activities in the statement of
net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	164,712,177
Deferred revenue	7,990,379
Accrued interest	(1,083,666)
Internal service fund	1,432,197
Deferred charges	451,383
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(133,118,884)

Net assets of governmental activities \$ 55,079,514

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) -
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2008

	General	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Property taxes and assessments	\$ 111,383,015	\$ -	\$ 111,383,015
Intergovernmental	6,844,439	8,816,851	15,661,290
State on-behalf payments	6,005,000	-	6,005,000
Charges for services	4,135,119	2,352,875	6,487,994
Investment income	1,811,265	1,091	1,812,356
Total revenues	130,178,838	11,170,817	141,349,655
EXPENDITURES			
Current:			
General government	13,707,418	343,197	14,050,615
Public works	7,876,232	-	7,876,232
Education	78,812,231	6,225,916	85,038,147
State on-behalf payments	6,005,000	-	6,005,000
Public health	274,938	34,650	309,588
Libraries	1,516,066	-	1,516,066
Social services	580,210	12,204	592,414
Public safety	8,914,692	21,645	8,936,337
Parks and recreation	2,141,145	-	2,141,145
Debt service:			
Principal retirements	6,417,441	9,360,000	15,777,441
Interest and other charges	3,743,674	4,386	3,748,060
Capital outlay	1,782,412	6,447,820	8,230,232
Total expenditures	131,771,459	22,449,818	154,221,277
Excess (deficiency) of revenues over (under) expenditures	(1,592,621)	(11,279,001)	(12,871,622)
OTHER FINANCING SOURCES (USES)			
Transfers in	526,493	40,000	566,493
Transfers out	(40,000)	-	(40,000)
Proceeds from issuance of debt	-	11,965,000	11,965,000
Capital lease proceeds	485,382	-	485,382
Total other financing sources (uses)	971,875	12,005,000	12,976,875
EXTRAORDINARY ITEM (Note 13)			
State teachers on-behalf payments	(24,241,000)	-	(24,241,000)
State teachers on-behalf revenue	24,241,000	-	24,241,000
Total extraordinary item	-	-	-
Net changes in fund balances (deficits)	(620,746)	725,999	105,253
FUND BALANCES (DEFICITS), beginning	16,353,692	(1,763,017)	14,590,675
FUND BALANCES (DEFICITS), ending	\$ 15,732,946	\$ (1,037,018)	\$ 14,695,928

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2008**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – total governmental funds	\$ 105,253
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	3,615,082
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(31,611)
--	----------

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,975,610
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Internal service fund	297,973
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>2,277,537</u>
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Change in net assets of governmental activities	<u><u>\$ 9,239,844</u></u>
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The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED
FUND BALANCE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2008**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 111,900,098	\$ 111,900,098	\$ 111,383,015	\$ (517,083)
Federal and State governments	5,643,648	5,643,648	6,844,439	1,200,791
Licenses and permits	4,310,281	4,310,281	4,135,119	(175,162)
Investment income	1,600,000	1,600,000	1,811,265	211,265
Other	526,493	526,493	526,493	-
Use of surplus	2,561,822	2,561,822	-	(2,561,822)
Total revenues	126,542,342	126,542,342	124,700,331	(1,842,011)
EXPENDITURES				
Current:				
General government	14,734,582	14,660,035	14,138,356	521,679
Public safety	9,252,958	9,480,738	9,233,790	246,948
Public works	8,184,109	8,335,470	7,895,540	439,930
Public health	539,177	539,409	535,735	3,674
Social services	634,889	635,822	584,230	51,592
Libraries	1,549,092	1,549,092	1,514,596	34,496
Recreation and Parks	2,161,952	2,195,023	2,153,251	41,772
Education	79,318,282	79,511,752	78,523,669	988,083
Debt service	10,167,301	10,167,301	10,161,114	6,187
Transfers	-	40,000	40,000	-
Total expenditures	126,542,342	127,114,642	124,780,281	2,334,361
Revenues over (under) expenditures	\$ -	\$ (572,300)	(79,950)	\$ 492,350
FUND BALANCE, beginning			13,862,561	
Decrease in other reserves			24,178	
UNRESERVED FUND BALANCE, ending			\$ 13,806,789	

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

June 30, 2008

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major			Internal Service Fund
	WPCA	Golf Course	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ -	\$ 281	\$ 281	\$ -
Receivables:				
Due from other funds	5,793,230	389,492	6,182,722	2,425,208
User charges, net	414,579	12,136	426,715	-
Deferred charges	89,166	-	89,166	-
Total current assets	6,296,975	401,909	6,698,884	2,425,208
Noncurrent assets:				
Special assessments, net	21,791,535	-	21,791,535	-
Capital assets (net of accumulated depreciation)	64,720,348	5,538,700	70,259,048	2,526,021
Total noncurrent assets	86,511,883	5,538,700	92,050,583	2,526,021
Total assets	92,808,858	5,940,609	98,749,467	4,951,229
LIABILITIES				
Current liabilities:				
Accounts payable	3,195,934	43,488	3,239,422	-
Accrued benefits	69,374	104,946	174,320	570,934
Due to other funds	-	-	-	1,235,297
Bonds payable	1,959,746	177,000	2,136,746	-
Total current liabilities	5,225,054	325,434	5,550,488	1,806,231
Noncurrent liabilities:				
Bonds payable	42,535,316	3,224,000	45,759,316	-
Accrued benefits	-	-	-	1,712,801
Total noncurrent liabilities	42,535,316	3,224,000	45,759,316	1,712,801
Total liabilities	47,760,370	3,549,434	51,309,804	3,519,032
NET ASSETS				
Invested in capital assets (net of related debt)	20,265,350	2,137,700	22,403,050	2,526,021
Unrestricted	24,783,138	253,475	25,036,613	(1,093,824)
Total net assets	\$ 45,048,488	\$ 2,391,175	\$ 47,439,663	\$ 1,432,197

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -
PROPRIETARY FUNDS

For the Year Ended June 30, 2008

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major			Internal
	Golf			Service
	WPCA	Course	Total	Fund
OPERATING REVENUES				
User charges	\$ 4,887,750	\$ 1,882,132	\$ 6,769,882	\$ 1,646,273
Total operating revenues	<u>4,887,750</u>	<u>1,882,132</u>	<u>6,769,882</u>	<u>1,646,273</u>
OPERATING EXPENSES				
Operations and maintenance	3,142,691	1,280,840	4,423,531	924,103
Depreciation	1,176,331	155,018	1,331,349	424,197
Total operating expenses	<u>4,319,022</u>	<u>1,435,858</u>	<u>5,754,880</u>	<u>1,348,300</u>
Operating income	<u>568,728</u>	<u>446,274</u>	<u>1,015,002</u>	<u>297,973</u>
NONOPERATING REVENUES (EXPENSES)				
Interest expense	(1,226,906)	(136,904)	(1,363,810)	-
Interest income	1,147,331	-	1,147,331	-
Loss on disposal	(129,317)	-	(129,317)	-
Total nonoperating revenues (expenses)	<u>(208,892)</u>	<u>(136,904)</u>	<u>(345,796)</u>	<u>-</u>
Net income before capital contributions and transfers out	<u>359,836</u>	<u>309,370</u>	<u>669,206</u>	<u>297,973</u>
Capital Contributions and Transfers				
Special assessments and interest	5,728,201	-	5,728,201	-
Transfer out	(371,493)	(155,000)	(526,493)	-
Total capital contributions and transfers	<u>5,356,708</u>	<u>(155,000)</u>	<u>5,201,708</u>	<u>-</u>
Change in net assets	<u>5,716,544</u>	<u>154,370</u>	<u>5,870,914</u>	<u>297,973</u>
NET ASSETS, beginning	<u>39,331,944</u>	<u>2,236,805</u>	<u>41,568,749</u>	<u>1,134,224</u>
NET ASSETS, ending	<u>\$ 45,048,488</u>	<u>\$ 2,391,175</u>	<u>\$ 47,439,663</u>	<u>\$ 1,432,197</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

For the Year Ended June 30, 2008

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major			Internal Service Fund
	WPCA	Golf Course	Total	
Cash Flows From Operating Activities				
Receipts from customers and users	\$ 4,847,724	\$ 1,880,787	\$ 6,728,511	\$ 1,646,273
Payments to suppliers	(3,177,578)	(675,805)	(3,853,383)	-
Payments to employees	(273,748)	(613,616)	(887,364)	(924,103)
Net cash provided by operating activities	1,396,398	591,366	1,987,764	722,170
Cash Flows From Capital and Related Financing Activities				
Principal payments on debt	(4,897,352)	(177,000)	(5,074,352)	-
Special assessments	2,191,000	-	2,191,000	-
Interest paid on debt	(1,226,906)	(136,902)	(1,363,808)	-
Proceeds from debt	17,890,000	-	17,890,000	-
Purchase of property and equipment	(13,460,857)	(206,368)	(13,667,225)	(541,429)
Net cash (used in) capital and related financing activities	495,885	(520,270)	(24,385)	(541,429)
Cash Flows From Noncapital Financing Activities				
Advances (to) from other funds	(2,668,121)	84,116	(2,584,005)	(180,741)
Transfer in (out)	(371,493)	(155,000)	(526,493)	-
Net cash used in noncapital financing activities	(3,039,614)	(70,884)	(3,110,498)	(180,741)
Cash Flows From Investing Activities				
Interest recorded	1,147,331	-	1,147,331	-
Net increase in cash and cash equivalents	-	212	212	-
Cash and Cash Equivalents				
Beginning	-	69	69	-
Ending	\$ -	\$ 281	\$ 281	\$ -

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended June 30, 2008

	Business-Type Activities - Enterprise Funds			Governmental
	Major			Activities
	WPCA	Golf Course	Total	Internal Service Fund
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating income	\$ 568,728	\$ 446,274	\$ 1,015,002	\$ 297,973
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	1,176,331	155,018	1,331,349	424,197
Changes in assets and liabilities:				
Increase in receivable	(40,026)	(1,345)	(41,371)	-
Increase (decrease) in accounts payable and accrued expenses	(308,635)	(8,581)	(317,216)	-
Net cash provided by operating activities	\$ 1,396,398	\$ 591,366	\$ 1,987,764	\$ 722,170

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

June 30, 2008

	Pension Trust Funds	Agency Fund	Private Purpose Trust
ASSETS			
Cash and cash equivalents	\$ 25,435	\$ 2,255,548	\$ 294,738
Investments	50,806,710	-	-
Other receivable	320,993	-	415,621
Due from other funds	-	-	974,277
Total assets	51,153,138	2,255,548	1,684,636
LIABILITIES			
Accounts payable	-	-	1,231,110
Deferred revenue	-	-	-
Due to others and student organizations	-	2,255,548	-
Total liabilities	-	2,255,548	1,231,110
Net Assets Held in Trust for Pension Benefits and Other Purposes	\$ 51,153,138	\$ -	\$ 453,526

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

For the Year Ended June 30, 2008

	Pension Trust Funds	Private Purpose Trust
Additions		
Contributions		
Employer	\$ 2,675,000	\$ -
Plan members	873,379	-
Other	-	1,487,220
Total contributions	3,548,379	1,487,220
Investment Income		
Net depreciation in fair value of investments	(3,475,934)	-
Interest and dividends	1,589,797	27,968
	(1,886,137)	27,968
Less investment expenses:		
Investment management fees and other	254,543	-
Net investment and other income (losses)	(2,140,680)	27,968
Total additions (losses)	1,407,699	1,515,188
Deductions		
Benefits	4,552,932	-
Payments to beneficiaries	-	1,998,257
Total deductions	4,552,932	1,998,257
Change in net assets	(3,145,233)	(483,069)
Net Assets Held in Trust		
Beginning of year	54,298,371	936,595
End of year	\$ 51,153,138	\$ 453,526

The notes to the financial statements are an integral part of this statement.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS June 30, 2008

Note 1. Summary of Significant Accounting Policies

Reporting entity

The Town of Trumbull, Connecticut (the "Town") was incorporated as a town in the early 1600s. The Town covers an area of 23.5 square miles, and is located in Fairfield County, approximately 60 miles from New York City and 60 miles from Hartford. The Town operates under a First Selectman, Town Council and Finance Committee form of government and provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning, and general administrative services to its residents. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

Accounting principles generally accepted in the United States of America require that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by the Codification, Section 2100 has been considered and as a result, there are no agencies or entities that should be, but are not, included in the financial statements of the Town.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. However, agency funds, unlike other fiduciary funds, report only assets and liabilities and do not have a measurement focus, and follow the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied for. Intergovernmental grants and entitlements and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred except for 1) debt service expenditures, 2) expenditures related to compensated absences, 3) pension expenditures; and 4) claims and judgments which are recorded only when payment is due (matured).

Property taxes when levied for, intergovernmental revenue when eligibility requirements are met, licenses, fees, and interest associated with the current fiscal period are all considered to be measurable and so have been recognized as revenues of the current fiscal period, if available. All other revenue items and permits are considered to be measurable only when cash is received by the Town.

The Town reports the following major governmental fund:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Town reports the following major proprietary funds:

Water Pollution Control Authority - The WPCA accounts for the operations of the Town's wastewater treatment plant. It is independent in terms of its relationship to other Town functions. Its operations are financed from special assessments and direct charges to the users of the service.

Golf Course - This fund accounts for the operations of the Town's golf course, Tashua Knolls. It is independent in terms of its relationship to the Town functions. Its operations are financed from charges for customers.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Additionally, the Town reports the following fund types:

The *Internal Service Funds* account for the acquisition and use of certain vehicles of departments of the Town, and the medical and workers compensation reserves.

The *Pension Trust Funds* account for the activities of the Town's defined benefit plans, which accumulate resources for pension benefit payments to qualified employees.

The *Agency Funds* account for monies held as a custodian for outside groups and agencies.

The *Private-Purpose Trust Fund* accounts for assets held by the Town in a trustee capacity on behalf of others.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the proprietary fund and the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for enterprise funds and business-type activities, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. Operating expenses for the funds include the cost of operations and maintenance and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Accounting estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and expenditures during the reporting period. Actual results could differ from those estimates.

Property taxes

Property taxes are assessed as of October 1 and are levied on the following July 1. Personal property taxes and real estate taxes are due in four installments, on July 1 and the following October 1, January 1, and April 1. Motor vehicle taxes are due in two installments, on July 1 and January 1. Liens are filed by the end of the fiscal year in which the taxes are collectible.

Cash and cash equivalents

The Town considers all highly liquid investments and debt securities with original maturities of three months or less when purchased to be cash equivalents.

Allowances for doubtful accounts

Accounts and notes receivable for the primary government are reported net of allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon collection history and analysis of creditor's ability to pay. The majority of amount relates to taxes receivable.

Investments

Investments are recorded at fair value, based on quoted market rates. The pension funds allow for certain collective trusts which are based on the most recent estimated value reported by fund managers.

The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

The balance of the pooled fixed income investments were invested in a pool similar to a 2a-7 pool. The fair value of the position in the pool is the same as the value of the pool shares and are recorded at amortized cost.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or market.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the Town is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Building improvements	20
Distribution and collection systems	50-65
Public domain infrastructure	50
System infrastructure	30
Machinery and equipment	5-20

Capital assets are reported as expenditures (capital outlay) and no depreciation expense is reported in the governmental fund financial statements.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Compensated absences

Town employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only for amounts that are due (matured).

Revenue - Proprietary Funds

Operating revenues for the proprietary funds encompass the following: Sewer Commission - billings for sewer assessments and user charges; and Golf Course - fees from players using the course.

Nonoperating revenues include interest income as well as any other receipts unrelated to the above activities.

Long-term obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Principal payments on bonds are reported as expenditures as they become due.

Risks and uncertainties

The Town invests in various securities, including commercial paper, government-sponsored enterprises, and alternative investments. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Subsequent to year-end, the credit and liquidity crisis in the United States and throughout the global financial systems has resulted in substantial volatility in financial markets and the banking system. This and other economic events have had a significant adverse impact on investment portfolios. Due to the level of risks associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of financial position and activities.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Pension accounting:

Pension Trust Funds

Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Governmental Funds

Expenditures are recognized when they are paid or are expected to be paid with current available resources.

Funding policy

The Town funds the contributions to its pension plans based on the required contributions made under Town ordinance.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as a reservation of fund balance as they do not constitute expenditures or liabilities.

Fund Equity and Net Assets

In the Government-Wide and Proprietary Fund Financial Statements, net assets are classified in the following categories:

Invested in Capital Assets, Net of Related Debt – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduces this category.

Unrestricted Net Assets or Deficits – This category represents the net assets of the Town, which are not restricted for any project or other purpose by third parties. Deficits require future funding.

In the fund financial statements, fund balances of governmental funds are classified in two separate categories. The two categories, and their general meanings, are as follows:

Reserved Fund Balance - indicates that portion of fund equity which has been legally segregated for specific purposes by outside parties and amounts that are not available for appropriation.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Undesignated and Unreserved Fund Balance - indicates that portion of fund equity which is available for appropriation and expenditure in future periods.

Note 2. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds, and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Bonds payable	\$ (77,485,536)
Net pension obligation	(41,929,824)
Compensated absences	(12,619,909)
Premiums on refunding	(363,135)
Deferred gain on refunding	298,498
Capital Lease	(334,978)
Claims and judgments	(684,000)
	<hr/>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u><u>\$ (133,118,884)</u></u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds, and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 8,373,498
Depreciation expense	(4,758,416)
	<hr/>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 3,615,082</u></u>

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (11,965,000)
Capital leases	(485,382)
Principal repayments:	
General obligation debt	5,915,588
Bond Anticipation Notes	9,360,000
Capital leases	150,404
	<hr/>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<hr/> \$ 2,975,610 <hr/>

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this difference are as follows:

Increase in net pension obligation	\$ (2,204,218)
Decrease in compensated absences	4,315,917
Decrease in accrued interest	92,998
Amortization of premiums	42,932
Amortization of gain/loss on refunding amounts	(35,292)
Debt issue costs	97,143
Amortization of debt issuance costs	(31,943)
	<hr/>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<hr/> \$ 2,277,537 <hr/>

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Note 3. Budgets and Budgetary Accounting

General Fund

The Town's general budget policies are as follows:

- a. Prior to the first Tuesday in April, the Town Council votes to legally adopt the budget recommended by the Board of Finance, as prepared by the First Selectman, for the fiscal year commencing July 1. The budget includes proposed expenditures and anticipated revenues, together with the amount of revenue to be raised by general taxation.
- b. The Board of Finance is authorized to transfer budgeted amounts within departments provided such transfers do not increase a department's total appropriation. A number of such transfers were made during the year. Any one appropriation in excess of \$2,000 (\$10,000 during the course of any fiscal year) must be approved by the Town Council.
- c. Formal budgetary integration is employed on a line item basis as mandated by the Town Charter.
- d. Budgeted amounts shown in the accompanying financial statements are as originally adopted, or as amended by the Board of Finance or Town Council during the course of the year.
- e. Generally, all appropriations lapse at year-end.
- f. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures of the current year. If an appropriation is not encumbered, it lapses at year-end and may not be used by the department.
- g. Classifications of certain revenues and expenditures under accounting principles generally accepted in the United States of America (GAAP) differ from classifications utilized for budgetary purposes.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

- h. A reconciliation of the revenues, expenditures and fund equity of the General Fund presented in accordance with accounting principles generally accepted in the United States of America (GAAP) with the budgetary basis is as follows:

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses
Budgetary basis	\$ 124,700,331	\$ 124,780,281
State on-behalf payments	6,005,000	6,005,000
Capital lease	485,382	485,382
Encumbrances:		
June 30, 2008	-	(513,384)
June 30, 2007	-	1,054,180
GAAP basis	<u>\$ 131,190,713</u>	<u>\$ 131,811,459</u>

Special revenue funds

The Town does not have legally adopted annual budgets for the special revenue funds. Budgets for the various special revenue funds which are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies.

Capital projects funds

Legal authorization for expenditures of the capital projects funds is provided by the related bond ordinances and/or intergovernmental grant agreements. Capital appropriations do not lapse until completion of the applicable projects.

Note 4. Cash and Investments

Policies:

Deposits: The Town has a policy that deposits can include demand and savings accounts and certificates of deposits. The Town's policy for custodial credit risk is to follow State statutes for coverage of its deposits. The State of Connecticut requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk based capital ratio.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Investments: The investment policies of the Town conform to the policies as set forth by the State of Connecticut. The Town policy allows investments in the following: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short Term Investment Fund and the Tax Exempt Proceeds Fund. The Town's custodial credit risk policy states that the investment company or trust must take delivery, through a custodian, of all collateral. The Town's credit risk policy states that obligations of the State of Connecticut and of the United States must not have a rating of less than the top three rating categories of any nationally recognized rating service.

The Town's policy for pension investments also includes common and preferred stocks, convertible securities, real estate investment trusts and American depository receipts. The pension plan's credit risk policy is that invested securities should be of a quality to qualify under the prudent man rule.

Their approved policies target an asset mix to provide the probability of meeting or exceeding the return objectives at the lowest possible risk. They set asset allocation parameters, as follows:

Large Cap Equities	40% - 70%
Small Cap Equities	0% - 10%
Mid-Cap Stocks	0% - 10%
Fixed Income	30% - 50%
International Equities	0% - 10%
Cash	0% - 20%

Interest Rate Risk: The Town and the pension policies limit their exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and pension payments, thereby avoiding the need to sell securities on the open market prior to maturity, and investing idle funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

Concentrations: The Town and the pension policies are to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific issuer.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Custodial credit risk:

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2008 \$1,027,000 of the Town's bank balance of \$26,289,000 was uninsured and uncollateralized.

Investments: This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Cash and investments of the Town's investments consist of the following at June 30, 2008:

Cash and Cash Equivalents	
Deposits with financial institutions	\$ 23,152,990
State of Connecticut Short-Term Investment fund	1,111,741
Tax Exempt Proceeds Fund	65,258
Municipal Backed Investment Fund	123,004
Total cash and cash equivalents	24,452,993
Investments	
General Fund:	
U.S. Government Agencies	4,178,908 *
Pension Trust Funds:	
U.S. Government Securities	2,832,811 *
U.S. Government Agencies	1,274,727 *
Corporate Bonds	6,881,776 *
Other Bonds	707,835 *
Common and Preferred Stocks	12,650,574 *
Collective Trusts	24,258,532
Asset and Mortgage-Backed Securities	2,200,455 *
Total pension investments	50,806,710
Total investments	54,985,618
Total cash, cash equivalents and investments	\$ 79,438,611

* These investments are uninsured and unregistered, with securities held by the counterparty, but not in the Town's or Pension Trusts name.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Assets

Cash and cash equivalents	\$ 21,877,272
Investments	4,178,908
	<u>26,056,180</u>

Fiduciary Funds:

Cash and cash equivalents	2,575,721
Investments	50,806,710
	<u>53,382,431</u>

Total cash, cash equivalents and investments	\$ 79,438,611
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Interest rate risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the Town's debt type investments to this risk using the segmented time distribution model is as follows:

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Asset and Mortgage-Backed	\$ 2,200,455	\$ -	\$ 1,178,009	\$ 344,003	\$ 678,443
U.S. Government Securities	2,832,811	-	535,439	2,297,372	-
U.S. Government Agencies	5,453,635	-	159,318	5,936	5,288,381
Corporate Bonds	6,881,776	931,453	3,538,989	2,411,334	-
Other Bonds	707,835	49,915	325,911	332,009	-
Pooled Fixed Income	1,300,003	1,300,003	-	-	-
TOTAL	\$ 19,376,515	\$ 2,281,371	\$ 5,737,666	\$ 5,390,654	\$ 5,966,824

Credit Risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Presented below is the minimum rating as required for each debt type investment.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Average Rating	Corporate Bonds	Other Bonds	U.S. Government Agency Obligation	Asset and Mortgage-Backed Securities	Pooled Fixed Income
AAA	\$ 571,803	\$ 52,466	\$ 5,453,635	\$ 2,200,455	\$ -
AA	255,018	74,378	-	-	-
AA-	970,074	99,447	-	-	-
A+	1,175,166	110,670	-	-	-
A	1,710,045	102,048	-	-	-
A-	605,715	76,234	-	-	-
BBB+	861,981	95,685	-	-	-
BBB	596,289	49,583	-	-	-
BBB-	135,685	47,324	-	-	-
Unrated	-	-	-	-	1,300,003
	<u>\$ 6,881,776</u>	<u>\$ 707,835</u>	<u>\$ 5,453,635</u>	<u>\$ 2,200,455</u>	<u>\$ 1,300,003</u>

Note 5. Deferred Revenue/Unearned Revenue

Governmental funds report deferred revenue in connection with revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds and governmental activities also report unearned revenue in connection with revenues that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue and deferred revenue were as follows:

	Deferred Revenue	Unearned Revenue
General Fund:		
Taxes and accrued interest on delinquent property taxes	\$ 2,976,889	\$ -
Taxes collected in advance	-	51,172
Intergovernmental	5,013,490	-
Nonmajor Funds:		
Intergovernmental receivables	-	183,248
	<u>\$ 7,990,379</u>	<u>\$ 234,420</u>

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Note 6. Capital Assets

Capital asset activity for the year ended June 30, 2008 was as follows:

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 36,412,000	\$ 1,886,418	\$ -	\$ 38,298,418
Construction in progress	9,620,604	3,421,026	8,940,440	4,101,190
Total capital assets, not being depreciated	46,032,604	5,307,444	8,940,440	42,399,608
Capital assets, being depreciated:				
Land improvements	7,842,773	124,339	-	7,967,112
Buildings and improvements	127,877,888	9,946,478	-	137,824,366
Machinery and equipment	9,269,746	687,418	293,799	9,663,365
Vehicles	3,445,670	68,380	135,994	3,378,056
Infrastructure	55,561,077	1,179,879	-	56,740,956
Total capital assets being depreciated	203,997,154	12,006,494	429,793	215,573,855
Less accumulated depreciation for:				
Land improvements	5,024,889	250,900	-	5,275,789
Buildings and improvements	39,724,958	2,844,301	-	42,569,259
Machinery and equipment	6,188,427	586,997	293,799	6,481,625
Vehicles	2,975,598	115,496	135,994	2,955,100
Infrastructure	35,018,791	960,722	-	35,979,513
Total accumulated depreciation	88,932,663	4,758,416	429,793	93,261,286
Total capital assets, being depreciated, net	115,064,491	7,248,078	-	122,312,569
Governmental activities capital assets, net	\$ 161,097,095	\$ 12,555,522	\$ 8,940,440	\$ 164,712,177

Property and equipment of the internal service fund consisted of the following as of June 30, 2008:

	Balance June 30, 2007	Additions	Disposals	Balance June 30, 2008
Vehicles and equipment	\$ 3,948,275	\$ 541,429	\$ -	\$ 4,489,704
Less accumulated depreciation				1,963,683
				<u>\$ 2,526,021</u>

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,939,013	\$ -	\$ -	\$ 1,939,013
Construction in progress	4,852,031	14,719,346	4,852,031	14,719,346
Total capital assets, not being depreciated	6,791,044	14,719,346	4,852,031	16,658,359
Capital assets, being depreciated:				
Land improvements	3,620,021	-	-	3,620,021
Buildings	2,514,630	-	-	2,514,630
Machinery and equipment	1,439,499	210,762	125,760	1,524,501
Vehicles	176,523	85,116	106,172	155,467
Infrastructure	60,989,686	4,875,432	-	65,865,118
Total capital assets, being depreciated	68,740,359	5,171,310	231,932	73,679,737
Less accumulated depreciation for:				
Land improvements	478,201	81,680	-	559,881
Buildings	991,069	51,887	-	1,042,956
Machinery and equipment	1,125,004	66,249	28,293	1,162,960
Vehicles	129,051	42,397	50,922	120,526
Infrastructure	16,103,589	1,089,136	-	17,192,725
Total accumulated depreciation	18,826,914	1,331,349	79,215	20,079,048
Total capital assets, being depreciated, net	49,913,445	3,839,961	152,717	53,600,689
Total business-type capital assets, net	\$ 56,704,489	\$ 18,559,307	\$ 5,004,748	\$ 70,259,048

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Board of Education	\$ 3,217,870
General Government	106,780
Social Services	21,861
Public Works	1,217,876
Public Safety	309,316
Libraries	103,758
Recreation and Parks	205,152
Total depreciation expense - governmental activities	\$ 5,182,613
Business-type activities	
Sewer Commission	\$ 1,176,331
Golf Course	155,018
Total depreciation expense - business-type activities	\$ 1,331,349

Note 7. Interfund Accounts

As of June 30, 2008, interfund receivables and payables that resulted from various interfund transactions were as follows:

	Due From Other Funds	Due to Other Funds
General Fund	\$ -	\$ 7,646,014
Special Revenue Funds		
Homeland Security	1,688	-
Dog Fund	62,707	-
Youth and Children Services	3,880	-
Trumbull Day	71,536	-
Millington Legal Settlement	-	75,853
Town Clerk Historical Preservation	172,841	-
Education Federal and State Programs	-	367,434
Police grants	865	-
School Lunch	-	13,761
Total special revenue funds	313,517	457,048

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2008

	Due From Other Funds	Due to Other Funds
Capital Projects Fund		
Pre-Kindergarten School	-	313,781
Police Station Improvements	75,476	-
Land Acquisition	-	2,444,704
LOCIP	-	409,331
Park Improvements	246,400	-
THS Renovations	839,579	-
Reserve for Capital and Nonrecurring Expenditures	23,807	-
New Elementary School	-	425,928
BOE 2nd Yr Phase I Technology	23,771	-
Technology Town & BOE	83,296	-
Resurfacing of Tennis Courts	-	4,670
BOE Emergency Projects	412,720	-
Resurfacing of Town Roads	189,195	-
Trumbull High School Like New	1,562,202	-
Town Wide Park Improvements	330	-
BOE Phase II Technology	14,843	-
Tax Assessor CAMA System	39,682	-
Daniels Farm Road Bridge	-	17,571
BOE Phase II 2nd Yr. Technology	144,104	-
Small Cities - Senior Center	30,333	-
Rails to Trails	-	1,120,225
Total capital projects fund	3,685,738	4,736,210
Permanent Funds		
Cemetery Fund	1,456	-
Enterprise Funds		
Golf Course	389,492	-
Sewers	5,793,230	-
Total enterprise funds	6,182,722	-
Private Purpose Trust Funds		
Special Trust	641,015	-
Special Purpose Contra	333,262	-
	974,277	-

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2008

	Due From Other Funds	Due to Other Funds
Internal Service Funds		
Lease Fund	-	1,235,297
Insurance Reserve Fund	2,425,208	-
Total internal service funds	<u>2,425,208</u>	<u>1,235,297</u>
Debt Service Fund	<u>491,651</u>	<u>-</u>
	<u>\$ 14,074,569</u>	<u>\$ 14,074,569</u>

Amounts due to the General Fund from the Nonmajor and Other Funds is a result of short-term advances.

Advances from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Non Major Fund	\$375,000

All balances resulted from all payments for various funds being paid by the General Fund. The amounts listed above related to the amounts owed as a result, and will be paid within one year.

Interfund transfers during the year ended June 30, 2008 were as follows:

	Transfers From Other Funds	Transfers To Other Funds
General Fund	\$ 526,493	\$ 40,000
Sewer Commission	-	155,000
Golf Course	-	371,493
Non-major funds	40,000	-
	<u>\$ 566,493</u>	<u>\$ 566,493</u>

In addition, the general fund transferred an amount to the debt service fund to pay future debt service. The transfers to the sewer commission and golf course funds are budgeted for every year.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Note 8. Long-Term Liabilities and Subsequent Events

A summary of changes in outstanding general long-term debt during the year ended June 30, 2008 is as follows:

	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 71,436,124	\$ 11,965,000	\$ (5,915,588)	\$ 77,485,536	\$ 6,933,254
Bond anticipation notes	9,360,000	-	(9,360,000)	-	-
Premiums on refunding	406,067	-	(42,932)	363,135	42,932
Gain/loss on refunding	(333,790)	-	35,292	(298,498)	35,292
Capital lease	-	485,382	(150,404)	334,978	120,054
Total bonds and notes payable	80,868,401	12,450,382	(15,433,632)	77,885,151	7,131,532
Other Long-Term Liabilities					
Compensated absences	16,935,826	204,234	(4,520,151)	12,619,909	947,000
Net pension obligation	39,725,606	2,204,218	-	41,929,824	-
Claims and judgement	684,000	-	-	684,000	-
Total other long-term liabilities	57,345,432	2,408,452	(4,520,151)	55,233,733	947,000
Governmental activity long-term liabilities	\$ 138,213,833	\$ 14,858,834	\$ (19,953,783)	\$ 133,118,884	\$ 8,078,532

Substantially all amounts are expected to be financed or paid through the General Fund.

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance	Due Within One Year
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 32,190,474	\$ 2,890,000	\$ (2,184,412)	\$ 32,896,062	\$ 2,136,746
Bond anticipation notes	2,890,000	15,000,000	(2,890,000)	15,000,000	-
Total bonds and notes payable	35,080,474	17,890,000	(5,074,412)	47,896,062	2,136,746
Business-type activity long-term liabilities	\$ 35,080,474	\$ 17,890,000	\$ (5,074,412)	\$ 47,896,062	\$ 2,136,746

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Net pension obligation

The net pension obligation, the cumulative difference between annual pension cost and the Town's contributions to the plans since 1986, is calculated on an actuarial basis consistent with the requirements of Government Accounting Standards Board Statement No. 27. Expenditures are recognized when they are paid or are expected to be paid with current available resources. The pension obligation is recorded as a noncurrent liability in the government-wide financial statements, and is approximately \$41,930,000 at June 30, 2008.

Bond anticipation notes and subsequent event

The Town has \$17,000,000 of tax-exempt general obligation bond anticipation notes (BANS) outstanding as of June 30, 2008 and are recorded within long-term debt. The notes bear interest at 4.25%. In August 2008, \$15,000,000 of the BANS were refinanced through the issuance of \$18,205,000 of general obligation bonds and therefore recorded as long-term debt. \$2,000,000 of the BANS were rolled into new BANS in the amount of \$5,500,000 dated September 2008. The notes bear interest at 2.5%.

Bond anticipation note transactions for the year ended June 30, 2008 were as follows:

Outstanding, July 1, 2007	\$ 12,250,000
New borrowings	17,000,000
Repayments	<u>(12,250,000)</u>
Outstanding, June 30, 2008	<u>\$ 17,000,000</u>

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

General obligation bonds

As of June 30, 2008, the outstanding general obligation bonds of the Town were as follows:

	<u>Outstanding Amount</u>
\$9,375,000 general obligation bonds; issue of 12/15/89; due 6/15/09; interest at 6.35% to 6.7%	\$ 359,600
\$23,790,000 general obligation bonds; issue of 7/1/98; due 1/15/18; interest at 4.0% to 5.5%	3,083,936
\$16,620,000 general obligation bonds; issue of 1/15/01; due 1/15/21; interest at 4.125% to 5.0%	6,624,000
\$13,620,000 refunding bonds issue of 9/15/02 (for balance of 5/1/96 issue); due 6/1/16; interest at 3.0% to 5.0%	7,092,100
\$15,750,000 general obligation bonds; issue of 9/15/02; due 6/1/22; interest at 2.0% to 5.0%	4,170,600
\$29,000,000 general obligation bonds; issue of 9/15/03; due 9/15/23; interest at 3.0% to 4.75%.	19,485,000
\$8,375,000 refunding bonds issue of 12/14/04 (for balance of 7/1/98 issue); due 1/15/18; interest at 4.0% to 5.5%	6,445,300
\$19,790,000 general obligation bonds; issue of 9/13/05; due 9/13/25; interest at 4% to 4.125%	3,690,000
\$15,440,000 general obligation bonds; issue of 9/12/06; due 9/1/26; interest at 4.0% to 5.0%	14,570,000
\$14,855,000 general obligation bonds; issue of 9/1/07; due 9/1/27; interest at 4.0% to 5.0%	11,965,000
Total	<u>\$ 77,485,536</u>

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

In-Substance Defeasance

In prior years, the Town has defeased various bond issues by creating separate irrevocable trust funds. As of June 30, 2008, the amount of defeased debt outstanding, but removed from the Town's government-wide financial statements, amounted to the following:

2002 Refunding	\$	8,640,000
2004 Refunding		8,375,000
Total	\$	17,015,000

The annual debt service requirements for all bonded debt are as follows including bond anticipation notes are financed:

	Governmental Activities		
	Principal	Interest	Total
2009	\$ 6,933,254	\$ 3,223,549	\$ 10,156,803
2010	6,155,070	2,905,072	9,060,142
2011	5,857,347	2,641,356	8,498,703
2012	5,667,763	2,421,136	8,088,899
2013	5,443,102	2,193,450	7,636,552
2014	5,109,000	1,967,005	7,076,005
2015	5,161,000	1,753,393	6,914,393
2016	5,090,000	1,540,220	6,630,220
2017	4,426,000	1,327,820	5,753,820
2018	4,503,000	1,137,693	5,640,693
2019	3,478,000	943,602	4,421,602
2020	3,478,000	794,990	4,272,990
2021	3,483,000	644,502	4,127,502
2022	2,993,000	492,392	3,485,392
2023	2,678,000	362,284	3,040,284
2024	2,572,000	246,505	2,818,505
2025	1,382,000	160,348	1,542,348
2026	1,407,000	101,814	1,508,814
2027	1,217,000	46,288	1,263,288
2028	452,000	10,170	462,170
Total	\$ 77,485,536	\$ 24,913,589	\$ 102,399,125

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Business-type activity obligations

At June 30, 2008, long-term debt in the Sewer and Golf Enterprise Funds consists of the following:

	<u>Outstanding Amount</u>
\$9,375,000 enterprise bonds; issue of 12/15/89; due 6/15/09; interest at 6.35% to 6.7%	\$ 95,400
\$23,790,000 enterprise bonds; issue of 7/1/98; due 1/15/18; interest at 4.0% to 5.5%	907,662
\$16,620,000 enterprise bonds; issue of 1/15/01; due 1/15/21; interest at 4.125% to 5.0%	2,696,000
\$13,620,000 refunding bonds issue of 9/15/02 (for balance of 5/1/96 issue); due 6/1/16; interest at 3.0% to 5.0%	182,900
\$15,750,000 enterprise bonds; issue of 9/15/02; due 6/1/22; interest at 2.0% to 5.0%	6,989,400
\$29,000,000 enterprise bonds; issue of 9/15/03; due 9/15/23; interest at 3.0% to 4.75%	3,040,000
\$8,375,000 refunding bonds issue of 12/14/04 (for balance of 7/01/98 issue); due 1/15/18; interest at 4.0% to 5.5%	1,899,700
\$19,790,000 enterprise bonds; issue of 9/13/05; due 9/13/25; interest at 4.00% to 4.125%	14,100,000
\$15,440,000 enterprise bonds; issue of 9/12/06; due 9/1/26; interest at 4.0% to 5.0%	95,000
\$14,855,000 enterprise bonds; issue of 9/1/07; due 9/1/27; interest at 4.0% to 5.5%	2,890,000
	<u>\$ 32,896,062</u>

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2008

The annual debt service requirements of bonded indebtedness of the business-type activities including bond anticipation notes as refinanced:

	Business-Type Activities		
	Principal	Interest	Total
2009	\$ 2,136,746	\$ 1,618,702	\$ 3,755,448
2010	2,798,844	1,799,038	4,597,882
2011	3,042,447	1,672,602	4,715,049
2012	3,037,031	1,552,611	4,589,642
2013	2,918,290	1,438,917	4,357,207
2014	2,815,794	1,326,862	4,142,656
2015	2,838,794	1,217,879	4,056,673
2016	2,819,794	1,110,953	3,930,747
2017	2,848,794	1,003,754	3,852,548
2018	2,866,794	893,592	3,760,386
2019	2,596,794	779,889	3,376,683
2020	2,596,794	675,958	3,272,752
2021	2,586,794	568,672	3,155,466
2022	2,356,794	460,385	2,817,179
2023	1,871,794	362,829	2,234,623
2024	1,872,794	286,110	2,158,904
2025	1,687,794	213,138	1,900,932
2026	1,657,794	143,977	1,801,771
2027	897,794	89,656	987,450
2028	897,794	51,130	948,924
2029	749,794	15,934	765,728
Total	<u>\$ 47,896,062</u>	<u>\$ 17,282,588</u>	<u>\$ 65,178,650</u>

Authorized but unissued bonds

The Town has authorized but unissued bonds relating to capital projects at June 30, 2008 as follows:

General purpose	\$ 5,738,000
Schools	57,574,544
Total	<u>\$ 63,312,544</u>

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Legal debt limit

The Town's indebtedness (including authorized but unissued bonds), net of principal reimbursements expected from the state, does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 257,756,276	\$ 40,317,943	\$ 217,438,333
Unfunded pension benefit obligation	343,675,035	-	343,675,035
Schools	515,512,552	105,881,137	409,631,415
Sewers	429,593,794	44,495,062	385,098,732
Urban renewal	372,314,621	-	372,314,621

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$801,908,415.

Note 9. Commitments and Contingencies

Lawsuits

There are several personal injury, negligence and personnel related lawsuits pending against the Town. The outcome and eventual liability of the Town, if any, in these cases is not known at this time. Based upon consultation with legal counsel, the Town's management estimates that potential claims against the Town not covered by insurance, resulting from such litigation would not have a material adverse affect the financial condition of the Town.

Municipal Solid Waste Service Agreement

The Town has entered into a municipal solid waste agreement, as amended (the "Service Agreement") with the Connecticut Resources Recovery Authority (the "Authority") pursuant to which it participates with seventeen other Connecticut municipalities (the eighteen constituting the "Contracting Municipalities"), in the Greater Bridgeport Resources Recovery System (the "System").

Under the Service Agreement, the Town is required to deliver, or cause to be delivered, to the System solid waste generated within its boundaries up to its minimum commitment of 23,000 tons per year and to pay a uniform per ton disposal service payment (the "Service Payment"). The current fee is \$81 per ton. The aggregate minimum commitment of the eighteen Contracting Municipalities is 400,000 tons per year. The Town's Service Payment commitment is a "put-or-pay" commitment, in that if the aggregate minimum commitment of the Contracting Municipalities is not met by the total deliveries of all the Contracting Municipalities in any year, the Town must pay the Service Payment for its proportionate share of the shortfall of the aggregate minimum commitment (even if it did deliver its full portion).

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Service payments shall be payable so long as the System is accepting solid waste delivered by or on behalf of the Town, whether or not such solid waste is processed at the facility. The Town has pledged its full faith and credit to the payment of Service Payments and has also agreed to enforce or levy and collect all taxes, cost sharing or other assessments or charges and take all such other action as may be necessary to provide for the payment of the Service Payments.

If any Contracting Municipality shall default in the payment of any Service Payments, the other Contracting Municipalities shall pay their share of the amounts unpaid by the nonpaying Contracting Municipality.

Note 10. Fund Deficits

The Town has the following fund deficits at June 30, 2008:

	<u>Fund Deficit</u>
Special Revenue	
Millington League Settlement	<u>\$ (75,853)</u>
Capital Projects Fund	
Land Acquisition	\$ (2,445,954)
Local Capital Improvement	(411,050)
Resurfacing of Tennis Courts	(4,670)
Daniels Farm Road Bridge	(17,571)
Agricultural Science Building	(375,322)
New Elementary School	(425,928)
Trumbull High School-Like New	(503,185)
Rails to Trails	(1,178,969)
	<u>\$ (5,362,649)</u>

The Town anticipates financing the fund deficits in the Capital Projects funds through future bond issues and/or revenues. The Special Revenue deficit will be recovered through future operations.

Note 11. Employee Retirement Plans

The Town has two contributory pension plans covering substantially all full-time Town and non-certified Board of Education employees. One plan covers employees of the Police Department and the other plan covers all other employees. The certified faculty and administrative personnel of the Board of Education participate in a contributory retirement plan administered by the State Teachers' Retirement Board. The Town does not contribute to this plan.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued **June 30, 2008**

The Town of Trumbull Police Benefit Plan

Plan Description

The Town of Trumbull is the administrator of a single employer public employee retirement system (PERS) established and administered by the Town to provide pension benefits for its Police employees. The PERS is considered to be part of the Town's financial reporting entity and is included in its financial reports as a pension trust fund.

The Town of Trumbull Police Benefit Plan provides retirement, death and disability benefits through a single employer, contributory, defined benefit plan. Benefits vest after 10 years of service. Members may retire on or after age 47 with at least 25 years of service. A retirement benefit of 2% of final annual pay for each year of service (maximum 25 years) plus an additional 1.25% for each full 3 months of service after 25 up to a maximum benefit of 75% is payable monthly for life. At the member's death, 50% of the benefit is payable to the surviving spouse. If a member leaves employment or dies prior to vesting, accumulated employee contributions with 5.5% interest compounded semi-annually are refunded. Post retirement increases equal 50% of the increase in current pay for active members of the same grade (pro-rated for less than 25 years service). Benefits and contributions are fixed by contract and may be amended by union negotiation.

Contributions

Employees are required to contribute 6% of their monthly salary to the PERS. The Town is required to contribute the remaining amounts necessary to fund these benefits.

Plan Changes

The latest actuarial valuation reflects no material change in benefit provisions of the Plan.

The latest actuarial valuation reflects no material changes in the actuarial assumptions or methods.

Town of Trumbull Pension Plan

Plan Description

The Town of Trumbull is the administrator of a single employer public employee retirement system (PERS) established and administered by the Town to provide pension benefits for its full-time employees other than Police, firefighters and teachers. The PERS is considered to be part of the town's financial reporting entity and is included in its financial reports as a pension trust fund.

The Town of Trumbull Pension Plan provides retirement, death and disability benefits through a single employer, contributory, defined benefit plan. Benefits vest at 50% after 5 years of service and increase an additional 10% per year to 100% after 10 years. Employees can retire on or after age 62 if they have at least 5 years of service, or after age 60 if age plus years of service equals at least 85. Employees who retire at these ages are entitled to an annual retirement benefit, payable monthly for 10 years certain and life, in an amount equal to 2% of Final Earnings for each year of service. There is a maximum annual pension of 60% of Final Earnings, and a minimum annual pension of \$1,200. Final

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Earnings is the employee's average earnings during the 36 consecutive months that produces the highest average. Employees may retire early on or after age 55 with at least 10 years of service with a benefit reduced $\frac{1}{2}\%$ for each month the early retirement date precedes the normal retirement date. The death benefit provides a benefit to a beneficiary of a fully vested participant of 120 months of retirement benefits beginning at the participant's normal retirement date as long as the beneficiary does not receive the deceased participant's employee contributions with credited interest and the proceeds from the \$25,000 life insurance policy are assigned to the pension plan. Employee contributions with credited interest are returnable on termination or death while active or retired (less any benefits paid) provided, in each case, that no death benefits are otherwise payable. Benefits and contributions are fixed by contract and may be amended by union negotiation.

Contributions

Employees are required to contribute 3.5% of their monthly salary to the PERS. The Town is required to contribute the remaining amounts necessary to fund these benefits.

Plan Changes

The latest actuarial valuation reflected no material changes made in the benefit provisions of the plan.

The latest actuarial valuation reflects no material changes in actuarial assumptions or methods.

Membership

Membership in the Plans consisted of the following at July 1, 2006, the date of the last actuarial valuation:

Category	Police Benefit Plan	Town Pension Plan
Retirees and beneficiaries receiving benefits	38	292
Terminated plan members entitled to but not yet receiving benefits	-	71
Active plan members	69	397
	<u>107</u>	<u>760</u>

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Actuarial Assumptions

Significant actuarial assumptions are as follows:

Police Benefit Plan:

Valuation date	July 1, 2006
Actuarial cost method	Projected Unit Credit
Asset valuation method	Adjusted Market Value
Amortization method	Level Dollar, Open
Remaining amortization period	15 years OPEN
Actuarial assumptions	
Investment rate of return	8.00%
Projected salary increases	4.50%
Mortality	1994 Uninsured Pensioners Mortality Table, with rates projected to 2012 (separate rates for males and females).

Town Pension Plan

Valuation date	July 1, 2006
Actuarial cost method	Projected Unit Credit
Asset valuation method	Adjusted Market Value
Amortization method	Level Dollar, Open
Remaining amortization period	25 years
Actuarial assumptions	
Investment rate of return	8.00%
Projected salary increases	4.00%
Mortality	1994 Uninsured Pensioner's Mortality Table, with rates projected to 2012 (separate rates for males and females).

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Annual Pension Cost and Net Pension Obligation

The Town's annual pension cost and net pension obligation to the plan for the year ended June 30, 2008 were as follows:

Category	Police Benefit Plan	Town Employee Pension Plan
Annual required contribution	\$ 2,091,150	\$ 3,425,000
Interest on net pension obligation	1,377,825	1,800,214
Adjustment to annual required contribution	(1,863,148)	(1,951,833)
Annual pension cost	1,605,827	3,273,381
Contributions made	1,050,000	1,625,000
Increase in net pension obligation	555,827	1,648,381
Net pension obligation		
Beginning of year	17,222,938	22,502,678
End of year	\$ 17,778,765	\$ 24,151,059

Trend Information

	Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of (APC) Contributed	Net Pension Obligation
<u><i>Police Benefit Plan</i></u>				
	6/30/06	\$ 1,671,272	53.9%	\$ 16,590,803
	6/30/07	1,540,500	59.0%	17,222,928
	6/30/08	1,605,837	65.4%	17,778,765
<u><i>Town Employee Pension Plan</i></u>				
	6/30/06	\$ 2,776,584	47.7%	\$ 20,955,874
	6/30/07	2,971,804	48.0%	22,502,678
	6/30/08	3,273,381	49.6%	24,151,059

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Schedule of Employer Contributions

Years Ended June 30,	Police Benefit Plan			Town Employees Pension Plan		
	Annual Required Contribution	Percentage Contributed	Amount Contributed	Annual Required Contribution	Percentage Contributed	Amount Contributed
2008	\$ 2,091,150	50%	\$ 1,050,000	\$ 3,425,000	47%	\$ 1,625,000
2007	2,008,000	45%	908,375	3,113,000	46%	1,425,000
2006	2,117,040	43%	900,000	2,908,000	46%	1,325,000
2005	1,969,000	43%	850,000	2,779,000	44%	1,225,000
2004	1,622,805	49%	800,000	2,319,000	49%	1,125,000
2003	1,492,000	50%	750,000	2,051,000	52%	1,050,000

Scheduling of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) (B)	Unfunded AAL (UAAL (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	Covered Payroll (C)
<i>Police Benefit Plan</i>						
7/1/2002	\$ 26,799,433	\$ 35,243,745	\$ 8,444,312	76.0 %	\$ 3,489,429	242.0 %
7/1/2003	N/A	N/A	N/A	N/A %	N/A	N/A %
7/1/2004	27,147,266	39,271,098	12,123,832	69.1 %	4,007,225	302.5 %
7/1/2005	N/A	N/A	N/A	N/A %	N/A	N/A %
7/1/2006	29,273,360	40,719,224	11,445,864	71.9 %	4,290,000	266.8 %
7/1/2007	N/A	N/A	N/A	N/A %	N/A	N/A %
<i>Town Employees Pension Plan</i>						
7/1/2002	\$ 18,605,351	\$ 36,862,263	\$ 18,256,912	51.0 %	\$ 11,964,619	153.0 %
7/1/2003	N/A	N/A	N/A	N/A %	N/A	N/A %
7/1/2004	16,971,460	42,583,140	25,611,680	39.9 %	14,052,122	182.3 %
7/1/2005	N/A	N/A	N/A	N/A %	N/A	N/A %
7/1/2006	18,292,145	47,655,814	29,363,669	38.4 %	15,307,000	191.8 %
7/1/2007	N/A	N/A	N/A	N/A %	N/A	N/A %

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2008

SCHEDULE OF PLAN NET ASSETS
June 30, 2008

	Police Pension Fund	Town Pension Fund	Total Pension Trust Funds
ASSETS			
Cash and cash equivalents	\$ -	\$ 25,435	\$ 25,435
Investments	32,546,767	18,259,943	50,806,710
Other receivables	320,993	-	320,993
Total assets	32,867,760	18,285,378	51,153,138
Net Assets Held in Trust for Pension Benefits	\$ 32,867,760	\$ 18,285,378	\$ 51,153,138

SCHEDULE OF CHANGES IN PLAN NET ASSETS
Year Ended June 30, 2008

	Police Pension Fund	Town Pension Fund	Total Pension Trust
Additions			
Contributions			
Employer	\$ 1,050,000	\$ 1,625,000	\$ 2,675,000
Plan members	271,025	602,354	873,379
Total contributions	1,321,025	2,227,354	3,548,379
Investment Income			
Net depreciation in fair value of investments	(2,649,350)	(826,584)	(3,475,934)
Interest and dividends	1,539,662	50,135	1,589,797
	(1,109,688)	(776,449)	(1,886,137)
Less investment expenses:			
Investment management fees and other	(104,312)	(150,231)	(254,543)
Net investment and other income	(1,214,000)	(926,680)	(2,140,680)
Total additions	107,025	1,300,674	1,407,699
Deductions			
Benefits	1,648,774	2,904,158	4,552,932
	1,648,774	2,904,158	4,552,932
Net change in net assets	(1,541,749)	(1,603,484)	(3,145,233)
Net Assets Held in Trust			
Beginning of year	34,409,509	19,888,862	54,298,371
End of year	\$ 32,867,760	\$ 18,285,378	\$ 51,153,138

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued **June 30, 2008**

Connecticut State Teachers' Retirement System

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if he or she has attained age sixty and has accumulated twenty years of credited service in the public schools of Connecticut or has attained any age and has accumulated thirty-five years of credited service, at least twenty-five of which are service in the public schools of Connecticut. The State of Connecticut Teacher Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

Certain part-time and full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The Town does not, and is not legally responsible to, contribute to the plan.

The State of Connecticut contributes based on actuarially determined amounts. The funding level is determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual city/town basis.

In addition, the Town has recognized revenues and expenditures for on-behalf payments for pension contributions paid directly to the Connecticut State Teachers' Retirement System by the State of Connecticut. Such on-behalf payments were approximately \$6,005,000 for the year ended June 30, 2008.

Note 12. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to and health of employees; and natural disasters. The Town generally obtains commercial insurance for these risks. The amount of settlements has not exceeded insurance coverage in any of the past three years.

The Town maintains stop loss insurance on workers' compensation and heart and hypertension claims. The Town's maximum exposure for the year ended June 30, 2008 was \$1,000,000 in the aggregate and \$500,000 per incident. The Town and its actuary estimate a liability for both workers' compensation claims payable and for claims incurred but not reported.

The Town does not maintain stop loss coverage with respect to dental or prescription drug claims.

At June 30, 2008, \$2,283,000 has been accrued for self-insurance claims payable and for incurred but not reported claims related to worker compensation and heart and hypertension claims.

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

Claims and liabilities are estimated based on claims paid for the year. Claim transactions for the last two years for the entire program are as follows:

Fiscal Year Ended	Claims Payable July 1,	Current Year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30,
2007	\$ 1,665,471	\$ 1,451,366	\$ 833,102	\$ 2,283,735
2008	\$ 2,283,735	\$ 924,103	\$ 924,103	\$ 2,283,735

Note 13. Extraordinary Item

The State of Connecticut issued approximately \$2.3 billion in taxable general obligation bonds to be used for deposit into the State of Connecticut Teachers' Retirement Fund. As contributions to the fund represent on-behalf payment to the Town, an amount of \$24,241,000 has been recorded as an extraordinary item in the Town's financial statements.

Note 14. Pronouncements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates in the future that may impact future financial presentations.

Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements of the Town:

- ♦ GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions," issued June 2004, will be effective for the Town beginning with its year ending June 30, 2009. This Statement establishes standards for the measurement, recognition and display of other postemployment benefits, expenses and related liability or assets, note disclosures and, if applicable, required supplementary information in the financial reports.
- ♦ GASB Statement No. 51, "Accounting and Financial Reporting for Intangible Assets," issued June, 2007. Governments possess many different types of assets that may be considered intangible assets, including easements, water rights, timber rights, patents, trademarks, and computer software. Intangible assets, and more specifically easements, are referred to in the description of capital assets in Statement No. 34, "Basic Financial Statements - and Management's Discussion and analysis - for State and Local Governments." This reference has created questions as to whether and when intangible assets should be considered capital assets for financial reporting purposes. An absence of sufficiently specific authoritative guidance that addresses these questions has resulted in inconsistencies in the accounting and financial reporting of intangible assets among state and local governments, particularly in the areas of recognition, initial measurement, and amortization. The objective of this Statement is to establish accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby

TOWN OF TRUMBULL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2008

enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2009.

- ♦ GASB Statement No. 52, "Land and Other Real Estate Held as Investment by Endowments". This Statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2008.
- ♦ GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments". This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are often complex financial arrangements used by governments to manage specific risks or to make investments. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2009.

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**Supplemental and Combining
Nonmajor Fund Statements and Schedules**

General Fund

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND SCHEDULE OF ACTUAL REVENUES AND OTHER
FINANCING SOURCES - BUDGETARY BASIS
BUDGET AND ACTUAL

For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
Property Taxes				
Current levy	\$ 111,384,097	\$ 111,384,097	\$ 110,844,887	\$ (539,210)
Interest and lien fees	500,000	500,000	520,920	20,920
PILOT - St. Joseph's Village	16,001	16,001	17,208	1,207
Total property taxes	111,900,098	111,900,098	111,383,015	(517,083)
Intergovernmental				
Education equalization grant	3,555,848	3,555,848	4,293,768	737,920
School building grants	921,452	921,452	895,533	(25,919)
Education grants	133,000	133,000	367,089	234,089
Elderly tax	5,000	5,000	4,000	(1,000)
Homeowners tax relief	270,000	270,000	265,990	(4,010)
Civil defense	8,000	8,000	26,699	18,699
Non-public pupils	75,000	75,000	73,589	(1,411)
Non-public busing	9,947	9,947	15,968	6,021
State property reimbursement	82,214	82,214	98,835	16,621
Disability exemption	2,000	2,000	2,102	102
Boat registration fee	25,031	25,031	25,031	-
Veterans grant	26,000	26,000	29,157	3,157
Telephone access tax	220,000	220,000	226,161	6,161
Manufacturing - tax relief	140,000	140,000	305,586	165,586
Foxwoods casino fund	84,574	84,574	84,565	(9)
Other various grants	-	-	13,207	13,207
Transportation	85,582	85,582	83,086	(2,496)
Energy assistance program	-	-	829	829
DRS-controller interest	-	-	13,244	13,244
Elections-storage cabinets	-	-	20,000	20,000
Total intergovernmental	5,643,648	5,643,648	6,844,439	1,200,791
Licenses, Permits, Fees and Other				
Town clerk fees	1,300,000	1,300,000	832,587	(467,413)
Planning and zoning	45,000	45,000	49,355	4,355
Police	32,000	32,000	34,535	2,535

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND SCHEDULE OF ACTUAL REVENUES AND OTHER
FINANCING SOURCES - BUDGETARY BASIS
BUDGET AND ACTUAL, Continued
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Licenses, Permits, Fees and Other, Continued				
Building	525,000	525,000	533,877	8,877
Tuition/rentals - B.O.E.	1,000,000	1,000,000	1,076,428	76,428
Fire marshal	45,000	45,000	44,286	(714)
Disposal area	210,000	210,000	223,262	13,262
Counseling center	11,500	11,500	12,878	1,378
Emergency medical services	800,000	800,000	762,635	(37,365)
Town engineer	40,000	40,000	21,681	(18,319)
Miscellaneous Revenue	107,881	107,881	341,324	233,443
Cell tower rental	140,500	140,500	149,283	8,783
Public Works	35,000	35,000	45,964	10,964
Health District	18,400	18,400	7,024	(11,376)
Total licenses, permits, fees and other	4,310,281	4,310,281	4,135,119	(175,162)
Investment income	1,600,000	1,600,000	1,811,265	211,265
Transfers in	526,493	526,493	526,493	-
Use of Surplus	2,561,822	2,561,822	-	(2,561,822)
Total revenues and other financing sources	\$ 126,542,342	\$ 126,542,342	\$ 124,700,331	\$ (1,842,011)

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND EXPENDITURES AND ENCUMBRANCES - BUDGETARY BASIS -

BUDGET AND ACTUAL

For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
General Government				
Town council	\$ 108,807	\$ 108,807	\$ 71,111	\$ 37,696
Ethics commission	120	120	-	120
First selectman	243,329	244,268	243,235	1,033
Probate judge	13,815	13,815	13,039	776
Elections registrar	134,805	183,320	171,819	11,501
Finance director	544,243	544,243	496,911	47,332
Finance Board	64,692	66,720	64,958	1,762
Assessor	311,680	313,180	278,141	35,039
Tax review	600	954	953	1
Tax collector	301,121	301,121	281,279	19,842
Purchasing	146,169	146,169	105,713	40,456
Treasurer	21,084	21,167	21,167	-
Town attorneys	185,734	186,245	163,892	22,353
Human resources	175,639	177,037	172,265	4,772
Town clerk	260,691	260,691	289,841	(29,150)
Planning and zoning	103,398	119,722	117,003	2,719
Zoning appeals board	89,169	107,145	106,645	500
Economic development	45,700	45,822	42,129	3,693
Inland-wetlands commission	8,650	10,150	9,279	871
Custodial services	287,155	287,774	283,966	3,808
Conservation Commission	-	420	-	420
Transit district	40,800	40,800	40,800	-
Town Hall	2,002,636	1,816,797	1,731,424	85,373
Technology	288,297	288,297	217,601	70,696
Pensions and insurance	9,343,355	9,361,888	9,205,476	156,412
Recycling	2,950	3,420	3,419	1
Trumbull Nature Center	9,943	9,943	6,290	3,653
Total general government	14,734,582	14,660,035	14,138,356	521,679
Public Safety				
Police	6,644,383	6,813,461	6,713,590	99,871
Emergency medical service	678,052	728,052	657,673	70,379
Fire marshal	228,612	228,612	222,729	5,883
Fire hydrants - water	1,200,000	1,200,000	1,151,973	48,027
Building official	314,813	323,392	318,994	4,398
Dog warden	110,608	110,608	101,952	8,656
Central Emergency Dispatch	720	720	240	480
Emergency Management	75,770	75,893	66,639	9,254
Total public safety	9,252,958	9,480,738	9,233,790	246,948

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND EXPENDITURES AND ENCUMBRANCES - BUDGETARY BASIS -

BUDGET AND ACTUAL, Continued

For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
Public Works				
Security-Bldg & grounds	128,010	128,010	104,684	23,326
Public works director	150,636	150,636	134,762	15,874
Public works (highway)	4,056,778	4,056,778	3,801,933	254,845
Street lights	460,000	460,000	399,749	60,251
Public works maintenance	855,775	958,968	938,808	20,160
Disposal area	2,050,618	2,050,618	1,986,317	64,301
Town engineer	482,292	530,460	529,287	1,173
Total public works	8,184,109	8,335,470	7,895,540	439,930
Public Health				
Board of health	210,700	210,700	210,700	-
Vital statistics	800	800	799	1
Nursing well child	63,332	63,564	63,439	125
Non-public schools	264,345	264,345	260,797	3,548
Total public health	539,177	539,409	535,735	3,674
Social Services				
Social services	129,166	129,225	128,262	963
Counseling center	201,884	202,599	197,913	4,686
Youth commission	76,109	76,109	65,432	10,677
Senior citizen commission	227,730	227,889	192,623	35,266
Total social services	634,889	635,822	584,230	51,592
Libraries	1,549,092	1,549,092	1,514,596	34,496
Recreation and Parks				
Arts commission	27,510	27,579	27,005	574
Trumbull Day commission	12,720	39,780	27,780	12,000
Public events	30,000	30,000	24,067	5,933
Recreation and Parks	436,574	436,942	436,470	472
Parks	1,570,804	1,576,304	1,553,891	22,413
Tree warden	84,344	84,418	84,038	380
Total recreation and parks	2,161,952	2,195,023	2,153,251	41,772

TOWN OF TRUMBULL, CONNECTICUT

GENERAL FUND EXPENDITURES AND ENCUMBRANCES - BUDGETARY BASIS -

BUDGET AND ACTUAL, Continued

For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
Education				
Education	78,616,853	78,806,853	77,824,638	982,215
Business education initiative	33,286	36,756	36,387	369
School nurses	668,143	668,143	662,644	5,499
Total education	79,318,282	79,511,752	78,523,669	988,083
Debt Service				
Principal - bonds and notes	6,417,441	6,417,441	6,417,441	-
Interest - bonds	3,749,860	3,749,860	3,743,673	6,187
Total debt service	10,167,301	10,167,301	10,161,114	6,187
Transfers out	-	40,000	40,000	-
Total	\$ 126,542,342	\$ 127,114,642	\$ 124,780,281	\$ 2,334,361

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Nonmajor Governmental Funds

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TOWN OF TRUMBULL, CONNECTICUT

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

June 30, 2008

	Special Revenue Funds					
	Homeland Securities Act	Dog Fund	Youth and Children Services	Trumbull Day	Trumbull Library	Town Clerk Historical Preservation
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 2,365	\$ -
Due from other funds	1,688	62,707	3,880	71,536	-	172,841
Intergovernmental receivables	-	416	-	178	-	-
Inventories	-	-	-	-	-	-
Total assets	\$ 1,688	\$ 63,123	\$ 3,880	\$ 71,714	\$ 2,365	\$ 172,841
LIABILITIES AND FUND BALANCES (DEFICITS)						
LIABILITIES						
Accounts payable	\$ -	\$ 270	\$ 1,417	\$ 57,076	\$ -	\$ 14,040
Unearned revenue	-	-	-	-	-	-
BANS payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-
Total liabilities	-	270	1,417	57,076	-	14,040
FUND BALANCES (DEFICITS)						
Designated for debt service	-	-	-	-	-	-
Unreserved and undesignated	1,688	62,853	2,463	14,638	2,365	158,801
Total fund balances (deficits)	1,688	62,853	2,463	14,638	2,365	158,801
Total liabilities and fund balances (deficits)	\$ 1,688	\$ 63,123	\$ 3,880	\$ 71,714	\$ 2,365	\$ 172,841

Special Revenue Funds					Capital Projects Funds				
Millington League Settlement	Education Grants and Other Programs	Police Grants	School Lunch	Special Revenue BOE Programs	Debt Service Fund	Land Acquisition	LOCIP	Park Improvements	
\$ -	\$ -	\$ -	\$ 709,170	\$ 430,193	\$ -	\$ -	\$ -	\$ -	
-	-	865	-	-	491,651	-	-	246,400	
-	421,265	-	96,628	5,850	-	-	-	-	
-	-	-	37,734	-	-	-	-	-	
<u>\$ -</u>	<u>\$ 421,265</u>	<u>\$ 865</u>	<u>\$ 843,532</u>	<u>\$ 436,043</u>	<u>\$ 491,651</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 246,400</u>	
\$ -	\$ 10,538	\$ -	\$ 36,336	\$ 15,118	\$ -	\$ 1,250	\$ 1,719	\$ 10,191	
-	43,293	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
75,853	367,434	-	13,761	-	-	2,444,704	409,331	-	
-	-	-	-	-	-	-	-	-	
<u>75,853</u>	<u>421,265</u>	<u>-</u>	<u>50,097</u>	<u>15,118</u>	<u>-</u>	<u>2,445,954</u>	<u>411,050</u>	<u>10,191</u>	
-	-	-	-	-	491,651	-	-	-	
(75,853)	-	865	793,435	420,925	-	(2,445,954)	(411,050)	236,209	
<u>(75,853)</u>	<u>-</u>	<u>865</u>	<u>793,435</u>	<u>420,925</u>	<u>491,651</u>	<u>(2,445,954)</u>	<u>(411,050)</u>	<u>236,209</u>	
<u>\$ -</u>	<u>\$ 421,265</u>	<u>\$ 865</u>	<u>\$ 843,532</u>	<u>\$ 436,043</u>	<u>\$ 491,651</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 246,400</u>	

TOWN OF TRUMBULL, CONNECTICUT

COMBINING BALANCE SHEET, Continued

NONMAJOR GOVERNMENTAL FUNDS

June 30, 2008

	Capital Projects Funds				
	Reserve for Capital and Nonrecurring Expenditures	Resurfacing of Tennis Courts	Daniels Farm Road Bridge	BOE Emergency Projects	Agricultural Science Building
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	23,807	-	-	412,720	-
Intergovernmental receivables	-	-	-	-	-
Inventories	-	-	-	-	-
Total assets	\$ 23,807	\$ -	\$ -	\$ 412,720	\$ -
LIABILITIES AND FUND BALANCES (DEFICITS)					
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-
BANS payable	-	-	-	-	-
Due to other funds	-	4,670	17,571	-	-
Advance to other funds	-	-	-	-	375,322
Total liabilities	-	4,670	17,571	-	375,322
FUND BALANCES (DEFICITS)					
Designated for debt service	-	-	-	-	-
Unreserved and undesignated	23,807	(4,670)	(17,571)	412,720	(375,322)
Total fund balances (deficits)	23,807	(4,670)	(17,571)	412,720	(375,322)
Total liabilities and fund balances (deficits)	\$ 23,807	\$ -	\$ -	\$ 412,720	\$ -

Capital Projects Funds						
BOE Phase II Technology	New Elementary School	THS Renovations	Police Station Improvements	Pre- Kindergarten School	Tax Assessor CAMA System	BOE 2nd year Phase I Technology
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14,843	-	839,579	75,476	-	39,682	23,771
-	-	199,862	-	444,923	-	-
-	-	-	-	-	-	-
<u>\$ 14,843</u>	<u>\$ -</u>	<u>\$ 1,039,441</u>	<u>\$ 75,476</u>	<u>\$ 444,923</u>	<u>\$ 39,682</u>	<u>\$ 23,771</u>
\$ -	\$ -	\$ 156,545	\$ -	\$ -	\$ -	\$ 10,125
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	425,928	-	-	313,781	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>425,928</u>	<u>156,545</u>	<u>-</u>	<u>313,781</u>	<u>-</u>	<u>10,125</u>
-	-	-	-	-	-	-
14,843	(425,928)	882,896	75,476	131,142	39,682	13,646
14,843	(425,928)	882,896	75,476	131,142	39,682	13,646
<u>\$ 14,843</u>	<u>\$ -</u>	<u>\$ 1,039,441</u>	<u>\$ 75,476</u>	<u>\$ 444,923</u>	<u>\$ 39,682</u>	<u>\$ 23,771</u>

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

COMBINING BALANCE SHEET, Continued

NONMAJOR GOVERNMENTAL FUNDS

June 30, 2008

	Capital Projects Funds				
	Small Cities	BOE Phase II 2nd yr Technology	Technology Town & BOE	Resurfacing of Town Roads	Trumbull High School - Like New
ASSETS					
Cash and cash equivalents	\$ 5,000	\$ -	\$ -	\$ -	\$ -
Due from other funds	30,333	144,104	83,296	189,195	1,562,202
Intergovernmental receivables	-	-	-	-	-
Inventories	-	-	-	-	-
Total assets	\$ 35,333	\$ 144,104	\$ 83,296	\$ 189,195	\$ 1,562,202
LIABILITIES AND FUND BALANCES (DEFICITS)					
LIABILITIES					
Accounts payable	\$ 7,612	\$ -	\$ -	\$ -	\$ 65,387
Unearned revenue	-	-	-	-	-
BANS payable	-	-	-	-	2,000,000
Due to other funds	-	-	-	-	-
Advance to other funds	-	-	-	-	-
Total liabilities	7,612	-	-	-	2,065,387
FUND BALANCES (DEFICITS)					
Designated for debt service	-	-	-	-	-
Unreserved and undesignated	27,721	144,104	83,296	189,195	(503,185)
Total fund balances (deficits)	27,721	144,104	83,296	189,195	(503,185)
Total liabilities and fund balances (deficits)	\$ 35,333	\$ 144,104	\$ 83,296	\$ 189,195	\$ 1,562,202

Capital Projects Funds		Permanent Fund		
Townwide				
Park	Rail to	BOE	Cemetery	
Improvements	Trails	Scholarships	Funds	Totals
\$ -	\$ -	\$ 150,006	\$ 25,271	\$ 1,322,005
330	-	-	1,456	4,492,362
-	-	139,955	-	1,309,077
-	-	-	-	37,734
<u>\$ 330</u>	<u>\$ -</u>	<u>\$ 289,961</u>	<u>\$ 26,727</u>	<u>\$ 7,161,178</u>
\$ -	\$ 58,744	\$ -	\$ -	446,368
-	-	139,955	-	183,248
-	-	-	-	2,000,000
-	1,120,225	-	-	5,193,258
-	-	-	-	375,322
<u>-</u>	<u>1,178,969</u>	<u>139,955</u>	<u>-</u>	<u>8,198,196</u>
-	-	-	-	491,651
330	(1,178,969)	150,006	26,727	(1,528,669)
<u>330</u>	<u>(1,178,969)</u>	<u>150,006</u>	<u>26,727</u>	<u>(1,037,018)</u>
<u>\$ 330</u>	<u>\$ -</u>	<u>\$ 289,961</u>	<u>\$ 26,727</u>	<u>\$ 7,161,178</u>

TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICITS)

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2008

	Special Revenue					
	Homeland Securities Act	Dog Fund	Youth and Children Services	Trumbull Day	Trumbull Library	Town Clerk Historical Preservation
REVENUES						
Intergovernmental	\$ 85,748	\$ -	\$ 32,966	\$ -	\$ -	\$ 217,892
Charges for services	-	21,687	-	114,767	-	16,386
Investment income	-	-	-	-	89	-
Total revenue	85,748	21,687	32,966	114,767	89	234,278
EXPENDITURES						
Education	-	-	-	-	-	-
General government	-	-	-	99,931	-	177,025
Public health	-	-	34,650	-	-	-
Public safety	-	21,645	-	-	-	-
Social Services	-	-	-	-	-	-
Capital outlay	23,757	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total expenditures	23,757	21,645	34,650	99,931	-	177,025
Revenue over (under expenditures)	61,991	42	(1,684)	14,836	89	57,253
OTHER FINANCING SOURCES (USES)						
Transfer in (out)	-	-	-	-	-	-
Issuance of bonds	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Changes in fund balances (deficits)	61,991	42	(1,684)	14,836	89	57,253
FUND BALANCES (DEFICITS), beginning	(60,303)	62,811	4,147	(198)	2,276	101,548
FUND BALANCES (DEFICITS), ending	\$ 1,688	\$ 62,853	\$ 2,463	\$ 14,638	\$ 2,365	\$ 158,801

Special Revenue Funds					Capital Projects Funds				
Millington League Settlement	Education Grants and Other Programs	Police Grants	School Lunch	Special Revenue BOE Programs	Debt Service Fund	Land Acquisition	LOCIP	Park Improvements	
\$ -	\$ 2,166,694	\$ 865	\$ 235,037	\$ 1,627,634	\$ -	\$ -	\$ 207,820	\$ -	
-	-	-	1,989,954	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	2,166,694	865	2,224,991	1,627,634	-	-	207,820	-	
-	2,166,694	-	2,184,093	1,766,678	-	-	-	-	
64,881	-	-	-	-	-	1,360	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	1,752,594	173,516	194,519	
1,159,000	-	-	-	-	-	6,300,000	-	-	
1,223,881	2,166,694	-	2,184,093	1,766,678	-	8,053,954	173,516	194,519	
(1,223,881)	-	865	40,898	(139,044)	-	(8,053,954)	34,304	(194,519)	
-	-	-	-	-	-	-	-	-	
1,159,000	-	-	-	-	-	6,300,000	-	-	
1,159,000	-	-	-	-	-	6,300,000	-	-	
(64,881)	-	865	40,898	(139,044)	-	(1,753,954)	34,304	(194,519)	
(10,972)	-	-	752,537	559,969	491,651	(692,000)	(445,354)	430,728	
\$ (75,853)	\$ -	\$ 865	\$ 793,435	\$ 420,925	\$ 491,651	\$ (2,445,954)	\$ (411,050)	\$ 236,209	

(Continued)

TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICITS), Continued

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2008

	Capital Projects Funds				
	Reserve for Capital and Nonrecurring Expenditures	Resurfacing of Tennis Courts	Daniels Farm Road Bridge	BOE Emergency Projects	Agricultural Science Building
REVENUES					
Intergovernmental	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-
Investment income	-	-	-	-	-
Total revenue	20,000	-	-	-	-
EXPENDITURES					
Education	-	-	-	-	-
General government	-	-	-	-	-
Public health	-	-	-	-	-
Public safety	-	-	-	-	-
Social Services	-	-	-	-	-
Capital outlay	-	184,670	-	523,327	-
Debt service	-	-	-	1,150,000	-
Total expenditures	-	184,670	-	1,673,327	-
Revenue over (under expenditures)	20,000	(184,670)	-	(1,673,327)	-
OTHER FINANCING SOURCES (USES)					
Transfer in (out)	-	-	-	-	-
Issuance of bonds	-	816,000	-	1,150,000	-
Total other financing sources (uses)	-	816,000	-	1,150,000	-
Changes in fund balances (deficits)	20,000	631,330	-	(523,327)	-
FUND BALANCES (DEFICITS), beginning	3,807	(636,000)	(17,571)	936,047	(375,322)
FUND BALANCES (DEFICITS), ending	\$ 23,807	\$ (4,670)	\$ (17,571)	\$ 412,720	\$ (375,322)

Capital Projects Funds						
BOE Phase II Technology	New Elementary School	THS Renovations	Police Station Improvements	Pre- Kindergarten School	Tax Assessor CAMA System	BOE 2nd year Phase I Technology
\$ -	\$ -	\$ 3,243,418	\$ -	\$ 444,923	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	3,243,418	-	444,923	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,046,670	48,032	-	-	10,126
-	-	-	-	-	-	-
-	-	1,046,670	48,032	-	-	10,126
-	-	2,196,748	(48,032)	444,923	-	(10,126)
(690,000)	-	-	-	-	-	-
-	-	-	-	-	-	-
(690,000)	-	-	-	-	-	-
(690,000)	-	2,196,748	(48,032)	444,923	-	(10,126)
704,843	(425,928)	(1,313,852)	123,508	(313,781)	39,682	23,772
\$ 14,843	\$ (425,928)	\$ 882,896	\$ 75,476	\$ 131,142	\$ 39,682	\$ 13,646

TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICITS), Continued
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008

	Capital Projects Funds				
	Small Cities	BOE Phase II 2nd year Technology	Technology Town & BOE	Resurfacing of Town Roads	Trumbull High School - Like New
REVENUES					
Intergovernmental	\$ 314,480	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-
Investment income	-	-	-	-	-
Total revenue	314,480	-	-	-	-
EXPENDITURES					
Education	-	-	-	-	-
General government	-	-	-	-	-
Public health	-	-	-	-	-
Public safety	-	-	-	-	-
Social Services	12,204	-	-	-	-
Capital outlay	715,532	25,269	-	125,839	42,927
Debt service	-	690,000	-	-	65,386
Total expenditures	727,736	715,269	-	125,839	108,313
Revenue over (under expenditures)	(413,256)	(715,269)	-	(125,839)	(108,313)
OTHER FINANCING SOURCES (USES)					
Transfer in (out)	40,000	690,000	-	-	-
Issuance of bonds	350,000	690,000	-	1,500,000	-
Total other financing sources (uses)	390,000	1,380,000	-	1,500,000	-
Changes in fund balances (deficits)	(23,256)	664,731	-	1,374,161	(108,313)
FUND BALANCES (DEFICITS), beginning	50,977	(520,627)	83,296	(1,184,966)	(394,872)
FUND BALANCES (DEFICITS), ending	\$ 27,721	\$ 144,104	\$ 83,296	\$ 189,195	\$ (503,185)

Capital Projects Fund		Permanent Fund		
Townwide Park Improvements	Rails to Trails	BOE Scholarships	Cemetery Funds	Totals
\$ 210,739	\$ 8,635	\$ -	\$ -	\$ 8,816,851
189,261	-	20,820	-	2,352,875
-	-	-	1,002	1,091
400,000	8,635	20,820	1,002	11,170,817
-	-	108,451	-	6,225,916
-	-	-	-	343,197
-	-	-	-	34,650
-	-	-	-	21,645
-	-	-	-	12,204
270,494	1,310,548	-	-	6,447,820
-	-	-	-	9,364,386
270,494	1,310,548	108,451	-	22,449,818
129,506	(1,301,913)	(87,631)	1,002	(11,279,001)
-	-	-	-	40,000
-	-	-	-	11,965,000
-	-	-	-	12,005,000
129,506	(1,301,913)	(87,631)	1,002	725,999
(129,176)	122,944	237,637	25,725	(1,763,017)
\$ 330	\$ (1,178,969)	\$ 150,006	\$ 26,727	\$ (1,037,018)

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Internal Service Funds

TOWN OF TRUMBULL, CONNECTICUT

COMBINING STATEMENT OF NET ASSETS

INTERNAL SERVICE FUNDS

June 30, 2008

	Lease Fund	Insurance Reserve	Totals
ASSETS			
Current assets:			
Due from other funds	\$ -	2,425,208	\$ 2,425,208
Total current assets	-	2,425,208	2,425,208
Noncurrent assets:			
Property and equipment, net	2,526,021	-	2,526,021
Total noncurrent assets	2,526,021	-	2,526,021
Total assets	2,526,021	2,425,208	4,951,229
LIABILITIES			
Current liabilities:			
Due to other funds	1,235,297	-	1,235,297
Accrued expenses	-	570,934	570,934
Total current liabilities	1,235,297	570,934	1,806,231
NONCURRENT LIABILITIES			
Accrued expenses	-	1,712,801	1,712,801
Total liabilities	1,235,297	2,283,735	3,519,032
NET ASSETS			
Investment in capital assets	2,526,021	-	2,526,021
Unrestricted (deficits)	(1,235,297)	141,473	(1,093,824)
Total net assets	\$ 1,290,724	\$ 141,473	\$ 1,432,197

TOWN OF TRUMBULL, CONNECTICUT

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS - INTERNAL SERVICE FUNDS**

For the Year Ended June 30, 2008

	Lease Fund	Insurance Reserve	Totals
OPERATING REVENUES			
Charges for services	\$ 722,770	\$ 923,503	\$ 1,646,273
Total operating revenues	722,770	923,503	1,646,273
OPERATING EXPENSES			
Depreciation	424,197	-	424,197
Program expenses	-	924,103	924,103
Total operating expenses	424,197	924,103	1,348,300
Net income (loss)	298,573	(600)	297,973
FUND NET ASSETS, beginning	992,151	142,073	1,134,224
FUND NET ASSETS, ending	\$ 1,290,724	\$ 141,473	\$ 1,432,197

TOWN OF TRUMBULL, CONNECTICUT

**COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS**

For the Year Ended June 30, 2008

	Lease Fund	Insurance Reserve	Totals
Cash Flows From Operating Activities			
Receipts from customers and users	\$ 722,770	\$ 923,503	1,646,273
Payments for benefits	-	(924,103)	(924,103)
Net cash provided by (used in) operating activities	722,770	(600)	722,170
Cash Flows From Capital and Related Financing Activities			
Purchase of property and equipment	(541,429)	-	(541,429)
Net cash used in capital and related financing activities	(541,429)	-	(541,429)
Cash Flows From Non-Capital and Related Financing Activities			
Advances from other funds	(181,341)	600	(180,741)
Net cash provided by (used in) non-capital and related financing activities	(181,341)	600	(180,741)
Net increase in cash and cash equivalents	-	-	-
Cash and Cash Equivalents			
Beginning	-	-	-
Ending	\$ -	\$ -	\$ -
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating income (loss)	\$ 298,573	\$ (600)	\$ 297,973
Adjustments to reconcile operating income (losses) to net cash provided by operating activities:			
Depreciation	424,197	-	424,197
Changes in assets and liabilities:			
Increase in accrued expenses	-	-	-
Net cash provided by (used in) operating activities	\$ 722,770	\$ (600)	\$ 722,170

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Fiduciary Funds

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TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF NET ASSETS - PRIVATE PURPOSE TRUST FUNDS

June 30, 2008

	Private Purpose Trust Funds				
	Trumbull Library	Special Purpose Contra Account	Special Trust	Retiree Insurance Benefit Trust	Total Private Purpose Trust Funds
ASSETS					
Cash and cash equivalents	\$ 77,002	\$ -	\$ 126,980	\$ 90,756	\$ 294,738
Other receivables	-	-	195,289	220,332	415,621
Due from other funds	-	333,262	641,015	-	974,277
Total assets	77,002	333,262	963,284	311,088	1,684,636
LIABILITIES					
Accounts payable	-	2,375	936,320	292,415	1,231,110
Deferred revenue	-	-	-	-	-
Total liabilities	-	2,375	936,320	292,415	1,231,110
Net Assets Held in Trust	\$ 77,002	\$ 330,887	\$ 26,964	\$ 18,673	\$ 453,526

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CHANGES IN NET ASSETS - PRIVATE PURPOSE TRUST FUNDS

For the Year Ended June 30, 2008

Private Purpose Trust Funds					
	Trumbull Library	Special Purpose Contra Account	Special Trust	Retiree Insurance Benefit Trust	Total Private Purpose Trust Funds
Additions					
Interest and dividends	\$ 2,416	\$ -	\$ 22,824	\$ 2,728	\$ 27,968
Other contributions	112,062	235,870	873,874	265,414	1,487,220
Total additions	114,478	235,870	896,698	268,142	1,515,188
Deductions					
Payments to beneficiaries	146,516	412,083	1,108,671	292,646	1,959,916
Other	-	-	38,341	-	38,341
	146,516	412,083	1,147,012	292,646	1,998,257
Net change in net assets	(32,038)	(176,213)	(250,314)	(24,504)	(483,069)
Net Assets Held in Trust					
Beginning of year	109,040	507,100	277,278	43,177	936,595
End of year	\$ 77,002	\$ 330,887	\$ 26,964	\$ 18,673	\$ 453,526

TOWN OF TRUMBULL, CONNECTICUT

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS

For the Year Ended June 30, 2008

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
STUDENT ACTIVITY FUNDS				
Assets				
Cash and cash equivalents	\$ 736,716	\$ 85,479	\$ (399,000)	\$ 423,195
Liabilities				
Due to students	\$ 736,716	\$ 85,479	\$ (399,000)	\$ 423,195
PERFORMANCE BONDS				
Assets				
Cash and cash equivalents	\$ 808,431	\$ 1,262,410	\$ (238,488)	\$ 1,832,353
Liabilities				
Due to others	\$ 808,431	\$ 1,262,410	\$ (238,488)	\$ 1,832,353
TOTAL				
Assets				
Cash and cash equivalents	\$ 1,545,147	\$ 1,347,889	\$ (637,488)	\$ 2,255,548
Liabilities				
Due to students	\$ 736,716	\$ 85,479	\$ (399,000)	\$ 423,195
Due to others	808,431	1,262,410	(238,488)	1,832,353
	\$ 1,545,147	\$ 1,347,889	\$ (637,488)	\$ 2,255,548

Other Schedules

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TOWN OF TRUMBULL, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING

GENERAL FUND

For the Year Ended June 30, 2008

Grand List Year	Balance	Current Levy	Lawful Corrections		Transfers to Suspense
	Uncollected July 1, 2007		Additions	Deletions	
2006	\$ -	\$ 111,557,228	\$ 217,227	\$ (220,362)	\$ -
2005	1,444,630	-	40,304	(67,609)	-
2004	420,208	-	20,531	(21,117)	46,183
2003	91,985	-	17,807	(5,138)	-
2002	128,066	-	11,770	(4,023)	-
2001	19,816	-	6,352	(630)	-
2000	16,775	-	4,209	(108)	-
1999	13,252	-	3,745	(267)	-
1998	13,059	-	4,068	(1,341)	-
1997	12,365	-	4,308	(397)	-
1996	11,922	-	2,237	-	-
1995	11,921	-	1,683	(86)	-
1994	11,823	-	1,385	-	-
1993	12,457	-	1,353	(73)	-
1992	12,249	-	1,308	-	-
1991	11,988	-	1,341	-	-
	<u>\$ 2,232,516</u>	<u>\$ 111,557,228</u>	<u>\$ 339,628</u>	<u>\$ (321,151)</u>	<u>\$ 46,183</u>

Balance to be Collected	Collections				Balance Uncollected June 30, 2008	Refund Balance June 30, 2008	Taxes Receivable June 30, 2008
	Taxes	Interest	Lien Fees	Total			
\$ 111,554,093	\$ 109,826,279	\$ 219,356	\$ 1,840	\$ 110,047,475	\$ 1,727,814	\$ 19,160	\$ 1,746,974
1,417,325	813,369	150,383	6,382	970,134	603,956	5,954	609,910
373,439	162,110	61,698	1,379	225,187	211,329	11,098	222,427
104,654	71,946	36,270	6,490	114,706	32,708	8,079	40,787
135,813	41,270	22,346	2,435	66,051	94,543	19,826	114,369
25,538	11,291	6,360	2,138	19,789	14,247	13,970	28,217
20,876	4,464	2,108	1,619	8,191	16,412	58,257	74,669
16,730	3,505	1,412	1,939	6,856	13,225	28,793	42,018
15,786	3,395	1,144	1,014	5,553	12,391	87,380	99,771
16,276	3,911	1,896	463	6,270	12,365	23,712	36,077
14,159	1,798	1,629	391	3,818	12,361	24,075	36,436
13,518	1,586	850	146	2,582	11,932	2,722	14,654
13,208	1,602	265	83	1,950	11,606	28,122	39,728
13,737	1,280	68	14	1,362	12,457	1,154	13,611
13,557	1,308	115	28	1,451	12,249	1,024	13,273
13,329	1,341	197	45	1,583	11,988	1,118	13,106
<u>\$ 113,762,038</u>	<u>\$ 110,950,455</u>	<u>\$ 506,097</u>	<u>\$ 26,406</u>	<u>\$ 111,482,958</u>	<u>\$ 2,811,583</u>	<u>\$ 334,444</u>	<u>\$ 3,146,027</u>

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